

In accordance with
Rule 18.7 of the
Insolvency (England &
Wales) Rules 2016 and
Sections 92A, 104A and
192 of the Insolvency
Act 1986.

LIQ03

Notice of progress report in voluntary winding up



Companies House

TUESDAY



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A06

14/01/2020

#328

COMPANIES HOUSE

1 Company details

Company number 0 7 6 8 0 6 5 4

Company name in full BEECH JONES LIMITED

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Brendan

Surname Doyle

3 Liquidator's address

Building name/number 6
Street Ynys Bridge Court
Gwaelod Y Garth

Post town Cardiff

County/Region South Glamorgan

Postcode C F 1 5 9 S S

Country Wales

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

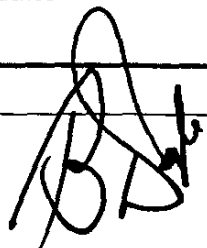
Postcode

Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6		Period of progress report															
From date	d 2 1		m 1 1		y 2 0		y 1 8										
To date	d 2 0		m 1 1		y 2 0		y 1 9										
7		Progress report															
		<input checked="" type="checkbox"/> The progress report is attached															
8		Sign and date															
Liquidator's signature	Signature																
	X		X														
Signature date	d 0 8		m 0 1		y 2 0		y 2 0										

LIQ03

Notice of progress report in voluntary winding up

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Dean Collins**

Company name **Doyle Davies**

Address **6 Ynys Bridge Court
Gwaelod-y-Garth**

Post town **Cardiff**

Country/Region

Postcode **C F 1 5 9 S S**

Country

DX

Telephone **02920 820340**

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

**IN THE MATTER OF
BEECH JONES LIMITED
("THE COMPANY")
IN CREDITORS VOLUNTARY LIQUIDATION**

**FIFTH ANNUAL PROGRESS REPORT OF THE LIQUIDATOR
TO CREDITORS AND MEMBERS OF THE ABOVE COMPANY
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986**

**STRICTLY PRIVATE AND CONFIDENTIAL AND NOT PUBLICATION
TO THE MEMBERS AND CREDITORS ONLY**

**Doyle Davies
6 Ynys Bridge Court
Gwaelod-y-Garth
Cardiff
CF15 9SS**

**T/N: 029 2082 0340
Email: dean@doyledavies.com**

Doyle Davies

INTRODUCTION

The Company was placed into Members' Voluntary Liquidation on 21 November 2014. Brendan Doyle of Doyle Davies Consultancy Limited was appointed Liquidator. The Company was subsequently placed into Creditors Voluntary Liquidation under Section 95 of the Insolvency Act 1986 and it was resolved by the creditors that Brendan Doyle was to continue in office as Liquidator.

This is the fifth annual progress report of the Liquidator to creditors and members pursuant to section 104A of the Insolvency Act 1986.

The information provided in this report is to fulfil the requirements imposed on the Liquidator under the Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016 and is not to be relied upon by any party for any other purpose.

The following documents are attached:

- Appendix A – Receipts and Payments Account
- Appendix B – Time Cost Summary
- Appendix C – Time Cost Analysis
- Appendix D – Estimated Outcome Statement
- Appendix E – Notes to Estimated Outcome Statement

BACKGROUND

The Company was incorporated on 23 June 2011 as Beech Jones De Lloyd (Cardiff) Limited. On 18 June 2012 it changed its name to Beech Jones De Lloyd Limited. A further change of name was made on 20 December 2012 to that of its current name, Beech Jones Limited.

The Company has always traded as Solicitors and lately under the style of Beech Jones Law. It traded from 74-78 Park Road, Whitchurch, Cardiff CF14 7BR.

There were previously offices in Liverpool and London. The Liverpool office was vacated in 2012 and the London office was a satellite office only with no formal occupation of premises.

The Company also incorporated the practices of William R de Lloyd & Co. and Barrie Y Jones & Co. Solicitors.

The Company was successful for a number of years and traded profitably. In 2014 the managing director took the decision to retire from the business. It was during this period that the Company started to experience cash flow issues, as a result of an increase in debtors and work in progress (WIP). A high volume of cases were being taken on a CFA basis, which increased WIP and reduced cash flow significantly.

We were instructed by the Company to provide formal advice in November 2014. The Directors were advised to conduct a full enquiry of the Company's affairs.

The accounts were analysed and up to date management accounts were prepared by the Company's accountant with the assistance of the Company's in house accounts team. The management accounts demonstrated that the Company was solvent with estimated surplus assets of £306,890.

Doyle Davies

The business was unable to trade due to severe cash flow issues. Its credit facilities were at maximum level and no further funding could be obtained. Its overdraft facility with the bank was being reduced at a rate of £10,000 per month.

A further, detailed review was conducted by the Directors with the accounts team, specifically, the ability to recover the debtor ledger and work in progress, which made up the majority of the Company's assets. We were provided with a detailed analysis of the debtor ledger and the Directors and accounts team were confident that recoveries would be made within a 12 month period.

Having conducted a full enquiry of the Company's affairs, the Directors formed the opinion that the Company was in a position to pay its debts in full together with interest at the official rate within a period of 12 months.

Accordingly, the Directors convened a statutory meeting of the Company's members, which was held on 21 November 2014. The members resolved to place the Company into Members Voluntary Liquidation and Brendan Doyle was appointed Liquidator.

On 9 November 2015, the Liquidator formed the opinion that the Company would be unable to pay its debts in full within the period stated in the Directors' declaration made under section 89 of the Insolvency Act 1986.

The opinion was formed after the analysis of the debtor ledger, WIP and creditors' claims. Several meetings were held with the Directors and the Solicitors acting in the recovery of the debtor ledger. It was agreed on 9 November 2015 that the amount required to pay the Company's debts in full would not be realised within the period.

Accordingly, a meeting of creditors under section 95 of the Insolvency Act 1986 was held on Friday 4 December 2015. The Company was placed into Creditors Voluntary Liquidation and it was resolved that Brendan Doyle continue in office as Liquidator. A Liquidation Committee was also established at this meeting.

RECEIPTS AND PAYMENTS

A copy of the Liquidator's receipts and payments account for the period 21 November 2018 to 20 November 2019 is attached at Appendix A.

ASSET REALISATIONS

Debtors

To date, a total of £295,028.44 has been realised in respect of the debtor ledger. In the period covered in this report, there have been no realisations in respect of debtors.

Debt recovery agents remain instructed and we have been in contact during the period to progress recoveries. Unfortunately, there have been further write offs and the only potential recoveries that now remain relate to matters where we have been unable to obtain the files or information needed to allow recovery.

Future recoveries are uncertain but we are working to bring this to a conclusion within the next 3 – 6 months.

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Work in Progress

The WIP represents uninvoiced work conducted on cases, primarily CFA cases. These cases were transferred by the Company to other firms of Solicitors prior to the Company entering Liquidation.

The ledgers showing the WIP on each matter are with the conducting solicitor and an undertaking has been received for each case with an agreement to recover the costs of the Company when the cases reach a conclusion. It was expected that these matters would reach a conclusion before the 12 month anniversary of the winding up.

These cases are also due to reach a conclusion but we are reliant on progression being made by other firms of Solicitors. The Liquidator is unable to influence progression and must await the conclusion of each case.

A number of solicitors failed to obtain instructions to proceed or cases were unsuccessful. Some WIP recoveries have been mixed with debtor recoveries as receipt of a global payment from debt recovery agents.

We do not envisage any further WIP recoveries.

Freehold Property

It was estimated by the Directors that the property would realise the amount in the balance sheet of the financial accounts, being £558,810. This was revalued in the accounts shortly before the Company ceased to trade and depreciated accordingly. The Directors consulted the agent who the property was purchased from and the agent did not disagree with the valuation, albeit the use factor would see the estimated value of the property fluctuate.

The property was subject to a legal mortgage from Lloyds Bank plc, which had a balance of £379,350 at the date of preparation of the Directors statement of affairs. This valued equity in the property at £179,160.

Steps were taken to instruct agents Hicks, Day, Jones and Westlake to value the property and its contents. Due to the nature of the building and the uncertainty regarding future use, the basis of the valuation had to be considered as a sale with use factor as existing offices, a change of use or as a total redevelopment, which would be subject to planning permission. The property was valued at c. £500,000 and the recommended marketing strategy was to adopt a quoting price of offers over £500,000.

Enquiries were made with Lloyds Bank plc with regards to its mortgage. A redemption figure was obtained for in excess of £644,000, with Lloyds claiming an all monies debenture was in place in respect of its fixed and floating charge. The charge documents were obtained and legal advice was sought to confirm its validity. It was advised that the fixed charge for the full amount owing to Lloyds, which was made up of the mortgage and the overdrawn bank account, was validly secured against the freehold property.

Lloyds agreed to a marketing strategy and the property was marketed jointly by Hicks, Day, Jones and Westlake and Thomas H Wood.

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There were several complications affecting title to the property. A boundary dispute was unresolved and the registration of the property with the Land Registry was uncertain. Legal advice had to be sought to confirm title and ability to sell the freehold property.

Several offers were received, with the highest offer initially accepted, which was a cash purchase. This buyer took the decision to withdraw from the purchase as a consequence of an adjoining neighbour taking action to build a wall on the boundary line that was in dispute. It was not considered commercial to instruct Solicitors to deal with the dispute.

Another bidder was contacted and an offer of £485,000 was accepted. The sale completed in August 2015.

The shortfall to the bank will now rank as a floating charge claim.

Furniture, Fixtures and Fittings

Our agents were instructed to deal with the contents of the freehold property.

A total of £5,900 plus VAT has been realised.

Wills Bank

The Wills Bank was sold to a third party firm of Solicitors for £10,000 with no VAT payable.

Other Assets

A refund of £5,130 was received from Cardnet in respect of the amount held on account for payments made by debtors in the terminal period of trading.

File retrieval fees are amounts recovered in respect of charges for recovering files from storage.

An insurance prepayment was recovered. There was also a utility and non-domestic rates refund in respect of overpayments on the utilities and rates at the freehold premises.

During the reporting period we have realised £1,626.54 in respect of overcharged bank fees.

CREDITORS

Secured Creditors

The fixed charge creditor, Lloyds Bank plc, relied on their security to discharge part of their claim.

The floating charge claim will now rank in the Liquidation, which has a balance of c. £200,000.

There does not appear to be a prospect of a distribution to floating charge creditors

Doyle Davies

There were a number of items acquired by the Company on lease. These items were collected by the leasing companies shortly after our appointment.

Preferential Creditors

We have received preferential claims of £21,084.04 for employee arrears of pay and holiday pay.

It is now considered that there is little prospect of dividend to preferential creditors in this matter.

Prescribed Part

Under the provisions of Section 176A of the Insolvency Act 1986 the Liquidator must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies when a Company has granted a floating charge after 15th September 2003. As there are no net assets anticipated at this stage, a prescribed part has not been estimated and will not be set aside for unsecured creditors.

Unsecured Creditors

Unsecured creditor claims from 244 creditors totalling £1,695,425.39 have been received.

The claims of unsecured creditors will be adjudicated when sufficient assets are realised to pay a dividend to that class of creditor.

There does not appear to be a prospect of a distribution to unsecured creditors.

DIVIDENDS

A distribution was made to the fixed charge creditor in accordance with their security over the freehold property.

No dividends have been declared or paid to any other class of creditor due to insufficient asset realisations to date.

LIQUIDATOR'S REMUNERATION AND DISBURSEMENTS

Pursuant to a resolution passed at the meeting of members on 21 November 2014, it was agreed that the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in attending to matters arising in the Liquidation to be drawn as and when incurred. The same resolution was passed by creditors at the section 95 meeting of creditors held on 4 December 2015.

Doyle Davies

Charge out Rates

A schedule of Doyle Davies' charge out rates are as follows:

Time incurred by	From 01/01/2011 to 15/02/2015 Rate per hour	From 16/02/2015 to 07/05/2017 Rate per hour	From 08/05/2017 to 17/10/2018 Rate per hour	From 18/10/2018 Rate per hour
Director	£360	£510	£510	£390
Insolvency Practitioner	£360	£510	£430	£390
Insolvency Manager	£240	£360	£360	£310
Administrator/Cashier/Support Staff	£100	£240	£230	£50 - £220

The charge out rates are subject to periodic reviews and change.

The minimum time unit in respect of charge out rates is 6 minutes.

Disbursements

There are two types of disbursements; direct disbursements (known as category one) and indirect disbursements (known as category two).

Category one disbursements do not require approval by creditors. Typically, these include external supplies of incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel and external printing, room hire, insolvency bond and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category two disbursements do require creditor approval and include elements of shared or allocated costs. We do not charge for any category 2 disbursements.

These costs are subject to amendment at any time and creditors will be notified of amendments in the next circular to creditors, where appropriate.

An analysis of the costs incurred to date is summarised at Appendix B.

To date the Liquidator has drawn a total of £50,000 (excl. VAT) in respect of his remuneration. No fees have been drawn during this reporting period.

A copy of "A Guide for Unsecured Creditors", issued by the Association of Business Recovery Professionals, is available on our website at: www.doyledavies.com. Please click on the section "R3 Insolvency Guides".

Creditors and members have a right to request further information in respect of the liquidator's remuneration and expenses in accordance with Rule 18.9 of the

Doyle Davies

Insolvency (England and Wales) Rules 2016 and have the right to challenge the amounts drawn under Rule 18.34. Copies of these rules are available on request.

This firm does not charge category 2 disbursements to this case.

Liquidation Committee

A liquidation committee was established by creditors in December 2014, who have remained engaged during the liquidation on strategy, decision making and in consultation on costs and outcome.

STATUTORY

The Liquidator has complied with his obligations imposed by statute and his regulatory body.

OTHER MATTERS

The Liquidator has taken legal advice in connection with the Company's client funds and files and is in the process of implementing an action plan in respect of that advice. There will be a significant cost to executing this process as it involves the destruction of client files and identifying individuals.

The Liquidator is under a duty to assist in a number of ongoing litigation claims against the Company and its insurers. This process entails making information available for the relevant proceedings from the Company's records.

A claim against a third party was assigned by the Liquidator to a firm of solicitors. The company is set to receive a percentage of any recoveries in respect of the claim and we are awaiting an update from solicitors in this respect. This could generate further realisations for creditors.

CONCLUSION

The Liquidator is to continue in office to deal with the administration of matters and to conclude the realisation of the Company's assets. The Liquidator is hopeful of concluding the winding up of the Company within the next reporting period.

If you have any queries about the content of this report, please do not hesitate to contact Dean Collins of this office on 029 2082 0340.

Dated



Brendan Eric Doyle
Liquidator

Appendix A

Receipts and Payments Abstract: BEECH JONES - BEECH JONES LIMITED In Members' Voluntary

Bank, Cash and Cash Investment Accounts: From: 21/11/2018 To: 20/11/2019

SOA Value £	21/11/2018 to 20/11/2019		Total to 20/11/2019	
	£	£	£	£
SECURED ASSETS				
0.00	Freehold Land and Property	0.00	485,000.00	485,000.00
COST OF REALISATIONS				
0.00	Agents / Valuers Fees	0.00	(14,450.00)	
0.00	Appointee Fees	0.00	(7,275.00)	
0.00	Insurance	0.00	(212.00)	
0.00	Legal Fees	0.00	(2,040.00)	
0.00	Sundry Costs	0.00	(10,000.00)	
		0.00		(33,977.00)
SECURED CREDITORS				
0.00	Fixed Charge Claims	0.00	(446,271.00)	
		0.00		(446,271.00)
ASSET REALISATIONS				
0.00	Cardnet merchant refund	0.00	5,130.00	
0.00	Debtors (Pre-Appointment)	0.00	295,028.44	
0.00	File Retrieval Fees	0.00	200.00	
0.00	Furniture, Fixtures and Fittings	0.00	5,900.00	
0.00	Insurance Refund	0.00	1,660.16	
0.00	Non Domestic Rates Refund	0.00	9,160.88	
0.00	Other Current Assets	1,626.54	1,626.54	
0.00	Utilities Refund	0.00	1,826.86	
0.00	Wills Bank	0.00	10,000.00	
0.00	Work In Progress	0.00	2,969.97	
		1,626.54		333,502.85
COST OF REALISATIONS				
0.00	Accounting Fees	0.00	(6,975.41)	
0.00	Agents / Valuers Fees	0.00	(5,600.00)	
0.00	Appointee Fees	0.00	(50,000.00)	
0.00	Bank Charges	(59.80)	(79.20)	
0.00	Courier	0.00	(169.50)	
0.00	Debt Collection Fees	0.00	(25,557.66)	
0.00	Insurance	0.00	(1,250.20)	
0.00	IT Support	0.00	(1,570.00)	
0.00	Legal Fees	(5,500.00)	(17,958.28)	
0.00	Other Property Expenses	0.00	(217.40)	
0.00	Postage	0.00	(380.26)	
0.00	Room Hire	0.00	(208.33)	
0.00	Securing/Transporting/Itemising	0.00	(8,496.09)	
0.00	Specific Bond	0.00	(720.00)	
0.00	Statutory Advertising	0.00	(338.60)	
0.00	Storage Costs	(12,719.88)	(61,467.61)	
0.00	WIP to prior firm	0.00	(700.00)	
		(18,279.68)		(181,688.54)
0.00		(16,653.14)		156,566.31
REPRESENTED BY				
	Cash at Bank		154,870.31	
	VAT Receivable (Payable)		1,696.00	
				156,566.31
				156,566.31

TIME & CHARGEOUT SUMMARIES

Beech Jones Limited

From 21/11/2014 to 20/11/2019

HOURS

Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	10.50	339.15	0.00	1.10	350.75	113,199.00	322.73
Investigations	0.00	8.40	0.00	0.00	8.40	3,024.00	360.00
Realisation of Assets	0.00	102.15	0.00	0.00	102.15	35,855.00	351.00
Creditors	0.00	62.65	0.00	6.20	68.85	21,852.00	317.39
Accounting and Treasury	0.00	11.25	0.00	29.30	40.55	8,901.00	219.51
Annual Report	0.00	6.00	0.00	0.50	6.50	2,270.00	349.23
Employees	0.00	15.90	0.00	0.00	15.90	4,164.00	261.89
Litigation	0.00	6.00	0.00	0.00	6.00	1,620.00	270.00
Registers/Record Searching	0.00	20.25	0.00	25.70	45.95	9,922.00	215.93
Statutory and Compliance	2.10	11.50	0.00	0.00	13.60	4,851.00	356.69
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	6,426.00	188,140.00	0.00	11,092.00		205,658.00	
Total Hours	12.60	583.25	0.00	62.80	658.65		
Average Rate	510.00	322.57	0.00	176.62			

LIQUIDATOR'S TIME COST ANALYSIS

Administration and Planning

This includes dealing with the commencement of the case administration, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations. These include but are not limited to: handling receipts and payments; VAT and Income tax issues; pension queries and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, maintenance and obtaining books and records, general meetings \ correspondence, statutory and other advertising, insurance, re-directed mail, and statutory reports.

A high volume of time has been spent in attending to requests for client files and information regarding the conduct of former client matters, which are now subject to insurance claims. The Liquidator and his staff have had to attend to requests for information from solicitors acting for various insurers, the Solicitors Regulation Authority, the Legal Ombudsman as well as former clients and their representatives in respect of ongoing matters and potential claims against the company.

There have also been matters that the Liquidator has had to attend to with regards to the quantification of third party claims. Access to records has been arranged in order for third parties to establish and quantify their claims. A significant amount of time has been spent in dealing with these parties. Legal advice had to be sought regarding certain claims.

Time has also been spent in dealing with management of client files with a view to return/destruction. Advice had to be sought in this respect and the process is ongoing.

Investigations

Where appropriate this will include such matters as investigation of pre-appointment transactions in accordance with the relevant Statement of Insolvency Practice (SIP 2), and the investigation of any potential antecedent transactions such as transactions at under value and preferences which may result in legal action resulting in a recoverable asset.

Following the move to creditors voluntary liquidation, a significant amount of investigation work has been undertaken with regards to accounting irregularities and prior transactions. Certain prospective claims have been assigned to third party litigation funders and the outcome of each case is awaited.

Realisation of Assets

This includes dealing with all aspects of the realisation of assets including identifying, securing and insuring assets, and (where applicable), property, business and asset sales, retention of title claims and debt collection. Other matters dealt with during the case administration which will relate to asset realisation may commonly include effecting disclaimers, dealing with landlords, liaising with agents, undertaking inventories, meetings with purchasers \ directors, arranging collection of leased assets, obtaining insurance, pursuing antecedent claims identified as part of the investigation work set out above. Details of the specific asset realisation work

undertaken on this case are set out in the main body of the report. Asset realisation is considered to be a key aspect of the case administration.

The asset realisations specific to this case have involved realising the debtor ledger and WIP. A significant amount of time has been spent in reviewing cost settlement offers with solicitors and providing further information in respect of costs and WIP.

Creditors

Queries from and correspondence with creditors have been necessary aspects of the case administration process. Reports to creditors are also an important part of ongoing matters relating to this aspect of the case.

A significant amount of time has been spent in dealing with creditors who represent the unpaid disbursement category of creditors. Requests have been made for copy ledgers and further information in order to ascertain why disbursements were unpaid. Other parties have also requested this information.

Creditors have been highly active throughout the administration of the winding up.

Accounting and Treasury

The client account and office account have to be reconciled on a regular basis. This will also represent management of the liquidation bank account and case management system.

The client account funds have been distributed in accordance with client/SRA instructions.

Employees

Dealing with employees claims, queries and assisting with the lodging of claims with the Redundancy Payments Service.

Litigation

Dealing with various claims against the company and having to instruct solicitors to deal with the same.

Registers/Record Searching

Time spent in attending to file requests, requests for electronic documents off the server and in archiving books, records and client files.

Statutory and Compliance

Compliance with statute and regulation including dealing with the SRA and any other statutory reporting requirements.

Estimated Outcome Statement

At 20/11/2019

Beech Jones Limited (in Liquidation)

	Notes	Directors Statement of Affairs £	Current Position £	Estimated Future Receipts / (Payments) £	Estimated Outcome £
Assets subject to fixed charge					
Freehold property	1	558,810	485,000	-	485,000
Less: Appointee fees		-	(7,275)	-	(7,275)
Less: Agents fees		-	(13,450)	-	(13,450)
Less: Agents marketing/disbursements		-	(1,000)	-	(1,000)
Less: Indemnity policy		-	(212)	-	(212)
Less: Legal fees		-	(2,040)	-	(2,040)
Less: Utility and other property related costs		-	(10,000)	-	(10,000)
Less: Amounts owing to Lloyds Bank	2	(379,350)	(446,271)	-	(446,271)
		179,460	4,752	-	4,752
Assets subject to floating charge					
Cardnet merchant refund		-	5,130	-	5,130
CFA Success Fee Recoveries	3	-	-	-	-
Debtors	4	561,120	295,028	Uncertain	295,028
File retrieval fees		-	200	-	200
Furniture, Fixtures & Fittings		-	5,900	-	5,900
Insurance refund		-	1,660	-	1,660
Non Domestic Rates Refund		-	9,161	-	9,161
Refund of Bank Charges		-	1,627	-	1,627
Sale of Wills		-	10,000	-	10,000
Utilities refund		-	1,827	-	1,827
Work in progress	5	753,350	2,970	Uncertain	2,970
		1,314,470	333,503	-	333,503
Estimated total assets		1,493,930	333,503	-	333,503
Less costs					
Accounting fees	6	-	(6,975)	-	(6,975)
Agents/Valuers fes		-	(5,600)	-	-
Bank Charges		-	(79)	-	(79)
Debt recovery fees	7	-	(25,558)	-	(25,558)
Insurance		-	(1,250)	-	(1,250)
IT support		-	(1,570)	-	(1,570)
Liquidator's fees	8	(20,000)	(50,000)	(140,666)	(190,666)
Legal fees	9	-	(17,958)	-	(17,958)
Postage		-	(380)	(1,000)	(1,380)
Room Hire		-	(208)	-	(208)
Securing/Transporting/Itemising client files	10	-	(8,496)	-	(8,496)
Specific bond		-	(720)	-	(720)
Statutory advertising		-	(339)	(500)	(839)
Storage and archiving costs (including destruction costs)	11	-	(61,468)	(20,000)	(81,468)
Sundry costs		-	(387)	-	(387)
WIP to prior firm		-	(700)	-	(700)
		(20,000)	(181,689)	(162,166)	(338,255)
Estimated total assets after costs		1,473,930	156,566	-	0
Total assets available for preferential creditors		1,473,930	156,566	-	0
Less preferential creditors					
Employees arrears of pay		-	(11,950)	-	(11,950)
Employees holiday pay		-	(9,644)	-	(9,644)
Surplus/(deficit) as regards to preferential creditors		1,473,930	134,973	-	(21,593)
Less prescribed part	12	-	-	-	-
Total assets available for floating charge creditor		1,473,930	134,973	-	(21,593)
Less floating charge creditor		(128,310)	(192,435)	-	(192,435)
Surplus/(deficit) to floating charge creditor		1,345,620	(57,462)	-	(214,028)
Prescribed part b/d		-	-	-	-
Total assets available for unsecured creditors		1,345,620	(57,462)	-	(214,028)
Less unsecured creditors	13	(1,228,000)	(1,695,425)	-	(1,695,425)
Total surplus/(deficit) to unsecured creditors		117,620	(1,752,888)	-	(1,909,454)

Estimated dividend to preferential creditors	-	p in the £
Estimated dividend to unsecured creditors	-	p in the £

Notes to Estimated Outcome Statement

This statement is an analysis of the receipts and payments to date and an estimate of the outcome of the winding up of the company. The figures included are for example purposes only and should not be relied on for any other purpose.

1. **Freehold property**
The freehold property was sold for £485,000 on 7 August 2015. The property was in negative equity and has been sold by the Liquidator with the consent of the mortgagee.
2. **Amounts owing to Lloyds Bank**
The Directors estimated that there would be equity in the property on the basis that only the mortgage capital and interest was secured against the freehold property. They were unaware that an all monies debenture was registered and that the mortgagee's total claim was £644,782, which has left the property in substantial negative equity.
3. **CFA Success Fee Recoveries**
These have been written down to nil in consideration of the limited recoveries made to date.
4. **Debtors**
Estimated future recoveries are uncertain at present as commented on further in the progress report.
5. **Work in progress**
Estimated future recoveries are uncertain at present as commented on further in the progress report.
6. **Accounting Fees**
Accountants have been instructed to prepare final accounts and submit statutory returns to the SRA. An accounts clerk was also instructed to assist with the reconciliation and distribution of the client account and to ascertain the position with ongoing client matters.
7. **Debt recovery fees**
Recoveries are charged at 10% - 30% of the amount recovered.
8. **Liquidator's fees**
A detailed analysis of the Liquidator's fees is contained in the report to creditors. A total of £50,000 (exc. VAT) has been drawn to date.
9. **Legal fees**
Legal fees represent advice having to be sought in dealing with ongoing litigation against the company, insurance claims, contentious claims of creditors, employment tribunal proceedings and general advice in respect of client complaints and SRA investigation matters. Advice is also being taken in relation to the destruction of client files and the distribution of historic client funds.
10. **Securing/transporting/itemising client files**
The Company held its client files in storage facilities at various locations across the UK. An agent had to be instructed to secure, collate, itemise and transport thousands of client files. This was a costly and time consuming process but it is an SRA requirement that files are secured by the Liquidator and retained for a period of 6 years as a minimum.
11. **Storage/archiving costs**
There are approximately 2,000 boxes of client files held in archive, containing approximately 10,000 client files, as well as books and records of the Company.

. Notes to Estimated Outcome Statement

The ongoing monthly storage costs are c. £1,000 per month. The projected future costs are based on a 5 year period, which will cover the maximum amount of time that client files have to be held for (6 years in total). Destruction of the files that have passed the 6 year closure period is carried out on annual basis in order to keep costs and overheads to a minimum.

12. Prescribed part

Under the provisions of Section 176A of the Insolvency Act 1986 the Liquidator must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies when a company has granted a floating charge after 15th September 2003. The prescribed part to be made available for unsecured creditors from floating charge asset realisations is 50% of the first £10,000 of realisations and 20% of any balance thereafter up to a maximum of £300,000. The floating charge creditor cannot participate in the distribution of the prescribed part in respect of any shortfall that it may have in respect of its claim.

13. Unsecured creditors

The increase in unsecured creditors is as a result of the receipt of several claims in respect of unpaid disbursements, contingent claims for professional negligence, insurance claims, adverse cost orders and compensation or restitution decisions in respect of complaints to the Legal Ombudsman.

The claims of creditors are yet to be adjudicated but they have mitigated as much as possible.

The claims for certain unpaid disbursement creditors may be paid outside of the liquidation during the course of the conduct of the clients' matters by the third party firms of solicitors who may now be conducting the case. Subject to the successful conclusion of these cases, and the recovery of litigation costs and disbursements from the other side, the claims of certain unsecured creditors may be reduced or withdrawn

Claims will be adjudicated when sufficient assets are realised to pay a dividend to unsecured creditors.