

LIQ03

Notice of progress report in voluntary winding up



Companies House

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20/10/2017

#180

COMPANIES HOUSE

1 Company details

Company number 0 7 9 0 5 0 8 5 ✓

Company name in full Noel Reid Farriers Limited ✓

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Matthew

Surname Waghorn

3 Liquidator's address

Building name/number 92 London Street

Street Reading

Post town

County/Region Berkshire

Postcode R G 1 4 S J

Country

4 Liquidator's name

Full forename(s) John

Surname Kirkpatrick

● Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number 92 London Street

Street Reading

Post town

County/Region Berkshire

Postcode R G 1 4 S J

Country

● Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	0	2	0	9	2	0	1	6
To date	0	1	0	9	2	0	1	7

7 Progress report

☐ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

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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.

Matthew John Waghorn

Wilkins Kennedy LLP

92 London Street

Reading

Berkshire

Postcode	R	G	1	4	S	J
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DX

01189 512131

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

**Noel Reid Farriers Limited
In Liquidation
("the Company")**

**Annual Progress Report to the Members and Creditors
Pursuant to Section 104A of the Insolvency Act 1986 for the year ending 1
September 2017**

Wilkins Kennedy LLP
92 London Street
Reading
Berkshire
RG1 4SJ

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- I. Receipts and payments account
- II. Analysis of time costs, explanation of time charging and disbursements recovery policy and complaints procedure

1. INTRODUCTION

The third anniversary of my appointment as joint liquidator has passed and I am required to send you a report on what has happened in the liquidation since the last anniversary. This report should be read in conjunction with my previous reports in the matter.

My detailed report is provided below, but in summary, since my last report I have been able to quantify my potential claim against the directors following various lines of enquiry. I continue to liaise with solicitors regarding their advice on the best approach to recovering the sums due from the directors and anticipate being in a position to commence recovery action imminently. Once any recovery action has been concluded I will be able to establish whether sufficient funds are available to enable a return to creditors. If not, I will proceed to close the liquidation.

2. BACKGROUND

The members' and creditors' meetings were held on 2 September 2014, when my partner John Arthur Kirkpatrick and I were appointed joint liquidators of the Company.

The Company's registration number is 07905085 and its current registered office is 92 London Street, Reading, Berkshire, RG1 4SJ.

The Company's former registered office was The Gables, 10 Mill Lane, Lambourn, RG17 8YP. This was also the former trading address.

3. RECEIPTS AND PAYMENTS ACCOUNT

Appendix I is a summary of receipts and payments in the liquidation from 2 September 2016 to 1 September 2017 and cumulatively from 2 September 2014 to the end of this reporting period. As at 1 September 2017 a total of £738.54 was held in the liquidation account. This account is held at the Royal Bank of Scotland. It is interest bearing and I confirm that it has been reconciled to the bank statements.

The only transaction in this reporting period is receipt of nominal bank interest totalling £1.85.

4. ASSET REALISATIONS

There have been no realisations in this reporting period.

5. INVESTIGATION

- 5.1. Since my last report, I have established the quantum of my claim against the directors. I am currently liaising with solicitors to ascertain the best course of action to recover the sums due from the directors and anticipate bringing a formal claim for recovery of the sums due to the Company imminently.

My current estimate of the quantum of any potential claim against the directors is between £40,000 - £60,000. However, the level and success of any recovery action is dependent upon the directors' defence and their ability to settle the claim in full.

6. EXPENDITURE

6.1. Pre appointment remuneration

At a meeting held on 2 September 2014, the creditors authorised the payment of a fee (£5,000 plus VAT and disbursements) for my assistance with preparing the statement of affairs and convening and holding the meeting of creditors prior to my appointment.

The fee for preparing the statement of affairs and convening and holding the meeting of creditors was paid from asset realisations and is shown on the attached receipts and payments account.

6.2. Joint liquidators' remuneration

My remuneration was authorised by creditors at a meeting held on 2 September 2014 to be drawn on a time costs basis. My total time costs to 1 September 2017 amount to £28,790.15, representing 155.85 hours which have been charged at an average hourly charge out rate of £184.73. Of this balance, £9,224.90 was charged in the period 2 September 2016 to 1 September 2017, representing 38.70 hours at an average hourly charge out rate of £238.37.

I have drawn remuneration totalling £11,150.25 to date, none of which was drawn in this reporting period from 2 September 2016 to 1 September 2017.

A description of the routine work undertaken in the liquidation is set out at Appendix II. In addition to the routine work, I have spent additional time investigating the payments made directly to the director in respect of the outstanding book debts.

A creditors' guide to liquidators' fees is available at the following internet link, www.r3.org.uk/index.cfm?page=1210. A hard copy of this document is available free of charge upon request to my office.

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the *joint liquidators' remuneration and expenses, within 21 days of receipt of this report*. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the joint liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

6.3. Joint liquidators' expenses

My expenses to 1 September 2017 amount to £425.80. I have drawn expenses totalling £308.05 to date, none of which were drawn in the period from 2 September 2016 to 1 September 2017.

The following expenses have been incurred in this reporting period but not yet been paid:

<u>Particulars of expense</u>	<u>Type of expense (category 1 or 2)</u>	<u>Amount incurred/ accrued to date</u>	<u>Amount outstanding</u>
Postage	Category 1	£11.13	£11.13
Stationery	Category 1	£1.05	£1.05

The following agents and professional advisors have been used in the liquidation:

<u>Agent / professional advisor</u>	<u>Nature of work</u>	<u>Fee arrangement</u>
Thimbleby and Shorland	Valuation and sale of the assets	Fee of £100 plus VAT for valuation of assets, commission of £45 on sale of assets and disbursements of £30
Faye Williams	Assistance in collating company information and book debts	Fixed fee of £500
Harrison Clark Rickerbys	Legal advice and assistance in establishing the extent and recovery of any potential claims against the directors	Time costs (on a contingent fee basis). Their current time costs are £31,188.50

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them.

7. CREDITORS' CLAIMS

7.1. Secured creditors

A first legal charge was granted to Lloyds TSB Bank Plc on 2 May 2012 which was registered on 9 May 2012 and provided fixed and floating charges over all tangible and intangible assets of the Company.

At the date of appointment no funds were due under the terms of this debenture.

7.2. Preferential creditors

The only known preferential creditors are the former employees for arrears of wages and holiday pay and the Redundancy Payments Office for any payments made to employees from the National Insurance Fund.

The statement of affairs estimated that preferential claims would total £433. There are currently insufficient funds to enable a dividend to be paid to the preferential creditors.

7.3. Unsecured creditors

I have received five claims from unsecured creditors totalling £50,515 compared to £103,671 estimated in the statement of affairs. There are a number of creditors who have yet to submit a claim in these proceedings.

Claims have not yet been agreed or admitted for dividend purposes.

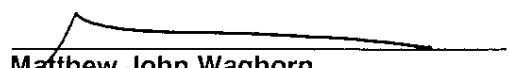
8. DIVIDEND PROSPECTS

The prospect of a return to creditors is dependent upon the success of any recovery action against the directors and the level of costs associated with any action. Until such time as my claim against the directors has been formalised and any defence and/or discussions with the directors' concerning their ability to repay the sums due, have been determined, I am unable to comment on the likelihood of surplus funds being available for creditors.

9. CONCLUSION

The liquidation will remain open until any claim and recovery action has been concluded against the directors and any dividend paid to creditors, if appropriate. Once this has been dealt with the liquidation will be finalised and my files will be closed.

My next report will be issued following the third anniversary of the liquidation, or the conclusion of the liquidation, whichever is sooner. However, I will be happy to respond to any specific request for further information submitted in the meantime.


Matthew John Waghorn
Joint Liquidator

**Noel Reid Farriers Limited - In Creditors Voluntary Liquidation
Joint Liquidators' Abstract of Receipts & Payments**

From 02 September 2016 To 01 September 2017

S of A £		As Previously Reported	02/09/16 to 01/09/17	Total £
RECEIPTS				
350	Plant & Machinery	250.00	NIL	250.00
300	Stock	200.00	NIL	200.00
20,388	Book Debts	17,410.42	NIL	17,410.42
1,000	Cash at Bank	NIL	NIL	NIL
NIL	Bank Interest Gross	11.49	1.85	13.34
22,038		17,871.91	1.85	17,873.76
PAYMENTS				
NIL	Statement of Affairs Fee	(5,000.00)	NIL	(5,000.00)
NIL	Office Holders Fees	(11,150.25)	NIL	(11,150.25)
NIL	Agents/Valuers Fees (1)	(175.00)	NIL	(175.00)
NIL	Corporation Tax	(1.92)	NIL	(1.92)
NIL	Statutory Advertising	(140.00)	NIL	(140.00)
NIL	Accountancy Fees	(500.00)	NIL	(500.00)
NIL	Postage and Stationery	(23.30)	NIL	(23.30)
NIL	IT Administration Fee	(110.00)	NIL	(110.00)
NIL	Stationery	(4.75)	NIL	(4.75)
NIL	Specific Bond	(30.00)	NIL	(30.00)
0		(17,135.22)	NIL	(17,135.22)
22,038	CASH IN HAND	736.69	1.85	738.54

WILKINS KENNEDY LLP

Schedule of joint liquidators' remuneration and disbursements

for

Noel Reid Farriers Limited – In Liquidation

From 2 September 2016 to 1 September 2017

JOINT LIQUIDATORS' FEES

HOURS

Classification of Work Function	Partner	Manager	Other senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	2.10	1.80	7.60	0.10	11.60	1,919.70	165.49
Cashiering and Accounting	-	-	1.60	-	1.60	144.70	90.44
Realisation of Assets	3.70	0.40	-	-	4.10	1,617.00	394.39
Trading	-	-	-	-	-	-	-
Investigations	1.20	15.00	-	-	16.20	4,303.50	265.65
Creditors	-	-	-	-	-	-	-
Statutory	0.60	3.60	-	1.00	5.20	1,240.00	238.46
Case Specific Matters	-	-	-	-	-	-	-
Total Hours	7.60	20.80	9.20	1.10	38.70	9,224.90	-
Total Fees Claimed (£)	-	-	-	-	-	-	-

Wilkins Kennedy LLP Charge-Out Rates

28 April 2014 to 28 February 2015	£	1 March 2015 to date	£
Partners/Directors	400.00 - 450.00	Partners	400.00 - 450.00
Senior Managers/Managers	270.00 - 300.00	Directors/Managers	250.00 - 350.00
Supervisors	205.00	Senior Administrators	145.00 - 195.00
Case Managers/Senior Administrators	145.00 - 195.00	Administrators	100.00 - 160.00
Administrators/Investigators	100.00 - 160.00	Junior/Trainee Administrators	50.00 - 110.00
Junior/Trainee Administrators	25.00 - 100.00	Cashiers/Secretaries	75.00 - 90.00
Cashiers/Secretaries	75.00 - 90.00		

WILKINS KENNEDY LLP

Schedule of joint liquidators' remuneration and disbursements

for

Noel Reid Farriers Limited

As at 1 September 2017

JOINT LIQUIDATORS' FEES

HOURS

Classification of Work Function	Partner	Manager	Other senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	6.70	4.45	20.10	7.20	38.45	6,366.45	165.58
Cashiering and Accounting	1.10	0.10	14.65	0.55	16.40	1,933.20	117.88
Realisation of Assets	5.80	5.80	13.80	5.00	30.40	6,240.00	205.26
Trading	-	-	-	-	-	-	-
Investigations	4.20	24.10	12.90	9.00	50.20	10,413.50	207.44
Creditors	0.20	-	4.60	0.60	5.40	856.00	158.52
Statutory	1.80	3.60	6.60	2.00	14.00	2,821.00	201.50
Case Specific Matters (specify)	-	-	1.00	-	1.00	160.00	160.00
Total Hours	19.80	38.05	73.65	24.35	155.85	28,790.15	-
Total Fees Claimed (£)						11,150.25	

Wilkins Kennedy LLP Charge-Out Rates

28 April 2014 to 28 February 2015	£	1 March 2015 to date	£
Partners/Directors	400.00 - 450.00	Partners	400.00 - 450.00
Senior Managers/Managers	270.00 - 300.00	Directors/Managers	250.00 - 350.00
Supervisors	205.00	Senior Administrators	145.00 - 195.00
Case Managers/Senior Administrators	145.00 - 195.00	Administrators	100.00 - 160.00
Administrators/Investigators	100.00 - 160.00	Junior/Trainee Administrators	50.00 - 110.00
Junior/Trainee Administrators	25.00 - 100.00	Cashiers/Secretaries	75.00 - 90.00
Cashiers/Secretaries	75.00 - 90.00		

Explanation of officeholders time charging policy

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the charge out rates detailed on the previous page are applicable to this appointment exclusive of VAT. Rates are normally reviewed on an annual basis and adjustments made accordingly where deemed appropriate. Time is recorded in 6 minute units by each staff member working on the case. A description of the routine work undertaken which time will be recorded for is detailed as follows:

1. Administration and planning
 - Preparing documentation and dealing with the formalities of appointment.
 - Dealing with all routine correspondence.
 - Maintaining physical case files and electronic case details.
 - Reviewing the ongoing progression of case files.
 - Arranging the collection and storage of Company records.
 - Ensuring an appropriate case bordereau is in place.
 - Case planning and administration.
2. Investigations
 - Review of the Company's books and records.
 - Preparation of returns / reports pursuant to the Company's Directors Disqualification Act 1986.
 - Conduct investigations into any suspicious transactions.
 - Reviewing the books and records to identify any transactions or actions that the officeholder may take in order to recover funds for the benefit of creditors.
3. Realisation of assets
 - Identifying, securing and obtaining sufficient insurance in respect of Company assets.
 - Dealing with any retention of title or other third party claims.
 - Debt collection functions.
 - Negotiating and completing property, business and asset sales.
4. Cashiering
 - Managing case bank accounts.
 - Maintaining case cash books.
5. Trading
 - Management of trading operations.
 - Maintaining and preparing accounting records for the period of trading.
 - Dealing with ongoing employee issues.
6. Creditors
 - Dealing with creditor correspondence and telephone conversations.
 - Maintaining creditor information and claims (including those submitted by secured creditors, employees and other preferential creditors).
7. Statutory
 - Statutory notifications and advertising.
 - Convening and holding meetings of members and creditors where appropriate.
 - Preparing reports to members and creditors.
 - Filing of statutory documents with the Registrar of Companies and/or the court.

Explanation of officeholders disbursement recovery policy

SIP 9 also requires that the office holder provide a statement of the officeholder's policy in relation to the recharging of disbursements. SIP 9 defines disbursements as either Category 1 or Category 2 disbursements, further details of which are below.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements will generally comprise costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs.

Charging and disbursement recovery policy

Category 1 disbursements are recoverable without approval, and will be recovered by the officeholder as they are incurred.

Category 2 disbursements do require approval, and should be identified and subject to approval by those responsible for approving remuneration. SIP 9 provides that the officeholder may make a separate charge for expenses in this category, provided that:

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation; it will be persuasive evidence of reasonableness, if the resultant charge to creditors is in line with the cost of external provision; and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving his remuneration.

Payments to outside parties in which the officeholder or his firm or any associate (as defined by Section 435 of the Insolvency Act 1986) has an interest should be treated as category 2 disbursements.

The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Photocopying	5p per sheet
Mileage	45p per mile (40p per mile prior to 6 April 2011)
Meeting Room	£50

Complaints procedure

Details of our complaints procedure are available on our website using the following link:
<http://www.wilkinskennedy.com/services/wk-restructuring-recovery/insolvency/complaints-procedure>