

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



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23/09/2017

#468

COMPANIES HOUSE

1 Company details

Company number 0 8 7 0 5 6 6 5

Company name in full Pins & Stripes Limited
(In Creditors' Voluntary Liquidation)

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Filippa

Surname Connor

3 Liquidator's address

Building name/number Mynott House

Street 14 Bowling Green Lane

Post town

County/Region London

Postcode E C 1 R O B D

Country United Kingdom

4 Liquidator's name

Full forename(s) Ruth

Surname Duncan

● Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number Mynott House

Street 14 Bowling Green Lane

Post town

County/Region London

Postcode E C 1 R O B D

Country United Kingdom

● Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

| | | | | | | | | |
|-----------|---|---|---|---|---|---|---|---|
| From date | 2 | 5 | 0 | 8 | 2 | 0 | 1 | 6 |
| To date | 2 | 4 | 0 | 8 | 2 | 0 | 1 | 7 |

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

d 2

m 7

y 20 y 1 y 7

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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.

Ruth Ellen Duncan

RNF Business Advisory Limited

2nd Floor, Maidstone House

King Street

Maidstone

Kent

Postcode

M

E

1

5

6

A

W

DX

01622 764 612



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

**PINS & STRIPES LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)**

FIRST ANNUAL PROGRESS REPORT

TO THE CREDITORS, MEMBERS AND REGISTRAR OF COMPANIES

**FOR THE PERIOD FROM 25 AUGUST 2016 TO 24 AUGUST 2017
("the reporting period")**

**STRICTLY PRIVATE AND CONFIDENTIAL
NOT FOR PUBLICATION**



PINS & STRIPES LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)



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PINS & STRIPES LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)



1. Introduction

1.1 As creditors may recall, Pins & Stripes Limited ("the Company") was placed into a Creditors' Voluntary Liquidation on 25 August 2016. Filippa Connor and I were appointed Joint Liquidators on the same day. This report is addressed to the creditors of the Company on the first anniversary of the Liquidation.

1.2 This report should be read in conjunction with my previous reports and correspondence to the creditors.

2. Assets & Realisations

2.1 As at the date of the Liquidation, the assets of the Company were identified as follows:

| | Book Value £ | Estimated to Realise £ |
|--|-------------------|---------------------------|
| Assets Not Specifically Charged | | |
| Cash at Bank | 3,104.00 | 3,104.00 |
| Stock | 180,812.00 | 4,500.00 |
| Book Debts | 34,417.00 | 24,093.00 |
| | 218,333.00 | 31,697.00 |

Cash at Bank

2.2 In the Directors' estimated Statement of Affairs ("SOA"), it was anticipated that the cash at bank would be realised for £3,104.00. Notwithstanding what was reported earlier, I have identified several book debts paid into the Company's bank account. Accordingly, such sum received after appointment, is now shown under book debts, further details of which are mentioned in subsequent sections of the report. For the avoidance of any doubt, the effective cash at bank realised in full amounts to £2,423.51.

Stock

2.3 As reported earlier, the stock was realised for £27,490.49 by my agent, James Owen & Co. during the reporting period. The creditors would note that the sum realised is significantly higher than what was anticipated to realise as per the SOA.

Book Debts

2.4 According to the SOA, the Company's book debts had an estimated to realise value of £24,093.00.

2.5 As creditors may recall from my previous report, the book debt recovery has been extremely challenging during the Liquidation due to many reasons.

2.6 As advised earlier, during my efforts to collect the book debts, it has come to my attention from most of the debtors that the Company failed to deliver the clothes with appropriate size and order. Hence, due to operational difficulties the Company failed to deliver the orders, making the book debt collection extremely difficult. Moreover, a delay in receiving the details of the remaining debtors prolonged the recovery process. However, I was able to obtain a confirmation from the former officer of the Company that there is no further information available to support my recovery of the remaining book debts. Considering the limited access to information and after exploring all possible avenues, I will be writing off the remaining book debts in the Liquidation.

2.7 Below table shows the summary of the final book debts position in the Liquidation and it is anticipated that no further book debt will be realisable.

| | |
|--|------------|
| Book value of Book Debts as per SOA | £34,417.00 |
| Estimated to realise as per SOA | £24,093.00 |
| Amount paid directly into account (before appointment, hence shown under cash at bank) | £917.00 |
| Amount paid directly into account (after appointment, hence, shown as book debt) | £17,568.32 |
| Amount Realised in the Liquidation estate | £2,925.00 |
| * Amount Written off (as per invoice/details provided by the director) | £16,768.94 |

PINS & STRIPES LIMITED
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* As also advised earlier, the largest unrealised debtor is WASPS owing £9,265.94 to the Company. However, WASPS have counter claimed for damages. After taking legal advice from my solicitors, Philip Ross, WASPS have filed its unsecured claim in the liquidation for £13,840.28.

2.8 There are no other assets that have come to my attention so far.

3. Investigations

3.1 According to the Company Directors Disqualification Act 1986, I am required to investigate the affairs of the Company and to submit a report to the Secretary of State. I would confirm that a relevant report was duly submitted. The creditors will understand that I am not obliged to divulge the contents of the same.

4. Receipts & Payments Account

4.1 A summary of the receipts & payments for the reporting period, can be found at Appendix 2 of this report, which I trust you will find self-explanatory.

5. Prescribed Part

5.1 Section 176A of the Insolvency Act 1986 provides that, where the company has created a floating charge after 15 September 2003, the Liquidator must make a prescribed part of the company's net property available for the unsecured creditors, as described in previous reports.

5.2 The Company does not have a floating charge registered against it, therefore, the provisions of the prescribed part do not apply.

6. Creditors' Claims

6.1 The Director listed on the SOA a number of claims, which can be disseminated as follows:-

Secured Creditors

6.2 There are no secured creditors having claims against the Company.

Preferential Creditors

6.3 There are no preferential creditors in the Liquidation.

Unsecured Creditors

6.4 From the information contained in the SOA, six unsecured creditors were listed with claims totalling £240,071.12.

6.5 Following my appointment, I advertised in the London Gazette for the claims to be submitted. To date, five unsecured claims totalling £239,917.68 have been received.

6.6 The creditors who have not yet submitted their claim, are requested to do so by completing the Proof of Debt form which can be found at Appendix 4 of this report and submit it together with the supporting documentation substantiating their claims **within next 21 days**.

Crown Creditors

6.7 The SOA listed the HM Revenue & Customs ("HMRC") as being owed £2,213.09 and £901.67 for VAT and PAYE/NIC respectively. I have received the claims from the HMRC amounting to £2,842.09 and £930.65 for outstanding VAT and PAYE/NIC respectively.

6.8 In addition, an unsecured claim in the sum of £1,437.00 has been received from the Redundancy Payments Service in connection with the payment made to an employee.

6.9 For the avoidance of any doubt, the crown creditors are included above in the unsecured creditors section.

7. Dividend

7.1 My initial report advised creditors that after considering the costs of the Liquidation, the unsecured creditors are unlikely to receive any dividend.

7.2 Creditor would note from the following sections of the report that the overall cost of the Liquidation exceeds the funds available in the estate. However, as advised in my previous report dated 31 March 2017, I intend to set aside £5,000.00 for first and final dividend to unsecured creditors with agreed claims.

8. Joint Liquidators' Actions since Appointment

8.1 As a Joint Liquidator, I have spent the majority of time complying with statutory duties including, conducting an investigation into the Directors' conduct, which has required reviewing the bank statements, company and creditors records.

8.2 A description of the routine work undertaken during the reporting period is as follows:

i. Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising and filing
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on VisionBlue
- Case bordereau
- Case planning and administration
- Maintaining and managing the Joint Liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met.
- Preparing and despatching reports to creditors.

ii. Investigations

- Conducting investigations into the Company's affairs
- Preparing and submitting Directors' conduct report

iii. Realisation of Assets

- Investigating and calculating the Liquidator's interest in all assets as listed in the Directors' SOA
- Corresponding with all interested parties concerning the assets
- Debt Collection
- Negotiating with interested parties as necessary

iv. Creditors

- Dealing with creditors' correspondence and telephone conversations
- Maintaining creditor information on Vision Blue
- Reviewing and lodging proofs of debt forms received from creditors

v. Dealing with directors

- Corresponding with the director and former officers of the Company
- Meeting with the director

8.3 In addition to the routine work outlined above significant time has been spent in realising the Company's assets. This includes, appointing agents, liaising with bank, directors and other parties on the recovery of book debts, etc.

9. Joint Liquidators' Remuneration

9.1 It is a requirement of the Insolvency Legislation that the basis of the Liquidator's remuneration should be fixed either as a percentage of the value of the assets which have been realised/ distributed or by reference to the time properly given by the Liquidator or his/her staff in attending to matters arising in the winding up, or a fixed amount, or a combination of these basis.

9.2 In addition to the basis of how the remuneration is fixed consideration should be given to the complexity and size of the Liquidation, the Liquidator's effectiveness, any exceptional responsibility falling on the Liquidator, and the value and nature of the assets comprised in the estate.

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- 9.3 It was resolved in the creditors' meeting held on 25 August 2016 that the pre appointment fee reported to the meeting of £5,000.00 plus VAT and disbursements plus VAT be authorised as an expense of the Liquidation. Accordingly, the same has been drawn from the Liquidation estate.
- 9.4 It was resolved in the creditors' meeting held on 25 August 2016 that the Joint Liquidators be authorised to draw their remuneration on a time costs basis to be drawn as and when realisations allow as set out in the previously provided summary of fees estimate; which was set at £16,7234.63 plus VAT.
- 9.5 It was further resolved via postal resolutions of 21 April 2017 that the Joint Liquidators be authorised to draw their remuneration on a time cost basis to be drawn as and when the realisations allow, as set out in previously provided summary of fee estimate dated 31 March 2017, which was set at £37,723.75 plus VAT
- 9.6 A summary of my time costs incurred during the reporting period, can be found at Appendix 3 of the report, which depicts how the time spent by the Joint Liquidators has been broken down. As can be seen, 178.90 hours have been spent on the case and time costs totalling £52,238.50 have been incurred, this equates to an average of £292.00 per hour.
- 9.7 As can be seen from the Receipts & Payments account, £21,734.63 has been drawn against remuneration during the reporting period. I intend to draw the further remuneration subject to the approved estimate limit and availability of funds, in due course.
- 9.8 The creditors would note that my actual time costs incurred of £52,238.50 has exceeded the estimate of £37,723.75.
- 9.9 All creditors were previously supplied with the relevant part of Statement of Insolvency Practice 9, which refers to Liquidator's remuneration and which also provides a statement of this firm's disbursement policy. If any creditor wishes to be provided with a further copy, please contact me and this will be issued.

Current Charge-out Rates of the Firm

| | Current charge-out rate per hour, effective from 1 July 2016 £ | Charge-out rate per hour, effective from 1 December 2013 to 30 June 2016 £ |
|------------------------------|---|---|
| Partner – appointment taker | 450.00 | 432.00 |
| Senior Manager | 375.00 | 268.00 - 295.00 |
| Manager/Supervisor | 300.00 | - |
| Assistant Manager | - | 167.50 - 184.00 |
| Administrator | 185.00 | 109.00 |
| Junior Administrator/Cashier | 125.00 | 134.00 |

Time charging policy

Support staff include cashier, secretarial and administration support.
The minimum unit of time recorded is 6 minutes.

10. Joint Liquidators' Expenses

- 10.1 I confirm that the disbursements charged to the estate are classified as either Category 1 disbursements, which do not require the authority of creditors, or as Category 2 which do. Both sets of expenses are marked as such on the Receipts & Payments Account.
- 10.2 The following agents or professional advisors have been utilised in this matter:

| Professional Advisor | Nature of Work | Fee Arrangement |
|----------------------|------------------------------|-----------------|
| James Owen & Co Ltd | Valuation and sale of assets | Fixed Fee |

**PINS & STRIPES LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)**



Philip Ross solicitors

Legal advice

Time costs

- 10.3 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. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.
- 10.4 James Owen & Co. are expert valuers and agents, who were instructed to inspect, value and sell the Company's assets, which they have successfully achieved as evident from the realised stock being significantly higher than anticipated in the SOA. In addition, they have also advised on any realisable values for the other assets.
- 10.5 Philip Ross are the expert solicitors who were instructed to review and advice on disputed book debt / damage claim position with WASPS. I am satisfied with their legal advice and the fees they have charged.
- 10.6 The remainder of the costs and expenses of the Liquidation are listed on my Receipts & Payments account and are, I believe, self- explanatory.
- 11. Further Information**
- 11.1 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 Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.
- 11.2 An unsecured creditor may, with the 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 Liquidator's 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.
- 12. Time to Complete Liquidation**
- 12.1 As a result of the matters outlined above in this report, it is my estimation that the Liquidation estate will remain open for around 3-6 months in order to deal with the outstanding matters including but not limited to, agreeing the creditors' claims and distribution of dividend, reclaiming the VAT for post-liquidation period etc.

Please do not hesitate to contact me to discuss the above report if you have any queries.

Signed

**Ruth E Duncan
Joint Liquidator**

Dated: 22 September 2017

PINS & STRIPES LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)



APPENDIX 1

STATUTORY INFORMATION

| | |
|-------------------------------------|---|
| Company Name: | Pins & Stripes Limited (In Liquidation) |
| Registered Number: | 08705665 |
| Registered office: | Mynott House, 14 Bowling Green Lane, London, EC1R 0BD |
| Former Registered Office: | The Apex, 2 Sheriffs Orchard, Coventry, West Midlands, CV1 3PP |
| Trading Name(s): | None |
| Trading Address: | Berkeley Square House, Berkeley Square, London, W1J 6BD |
| Principle Trading Activity: | Bespoke tailoring |
| Name of Liquidators: | Filippa Connor & Ruth Ellen Duncan |
| Address of Liquidators: | 2 nd Floor, Maidstone House, King Street, Maidstone, Kent ME15 6AW |
| Date of Appointment of Liquidators: | 25 August 2016 |
| Actions of Liquidators: | Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone. |

PINS & STRIPES LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)



APPENDIX 2

JOINT LIQUIDATOR'S RECEIPTS & PAYMENTS ACCOUNT
FOR THE PERIOD FROM 25 AUGUST 2016 TO 24 AUGUST 2017

| | Notes | Estimated to Realise per SOA £ | Receipts & Payments 25.08.16 to 24.08.17 £ | Estimated Future Receipts & Payments £ | Total £ |
|---------------------------------|-------|--------------------------------------|--|--|------------------|
| RECEIPTS | | | | | |
| Balance b/f | | | | 7,530.89 | |
| Cash at bank | | 3,104.00 | 2,423.51 | - | 2,423.51 |
| Stock | | 4,500.00 | 27,490.49 | - | 27,490.49 |
| Book Debts | | 24,093.00 | 20,493.32 | Nil | 20,493.32 |
| Bank Interest Gross | | | 9.61 | 2.00 | 11.61 |
| VAT Payable | | | 253.07 | - | 253.07 |
| VAT Reclaimed | | | - | 7,044.17 | 7,044.17 |
| | | <u>31,697.00</u> | <u>50,670.00</u> | <u>14,577.06</u> | <u>57,716.17</u> |
| PAYMENTS | | | | | |
| Statement of Affairs Fee | | | 5,000.00 | - | 5,000.00 |
| Office Holders Fees | | | 21,734.63 | 7,690.88 | 29,425.51 |
| Agents/Valuers Fees | | | 4,000.00 | - | 4,000.00 |
| Storage Costs | | | 3,893.61 | - | 3,893.61 |
| Statutory Advertising | 1 | | 423.00 | - | 423.00 |
| Bank Charges | | | 6.00 | - | 6.00 |
| Cleaning Costs | | | 240.00 | - | 240.00 |
| Postage | 1 | | 5.83 | 10.00 | 15.83 |
| Bonding | 1 | | 147.00 | 90.00 | 237.00 |
| Case Management Charges | 1 | | - | 150.00 | 150.00 |
| Online Web Hosting | 1 | | 10.00 | 30.00 | 40.00 |
| Printing and Photocopying | 2 | | 6.80 | 10.00 | 16.80 |
| Solicitors Fees | | | 375.00 | - | 375.00 |
| VAT Receivable | | | 7,297.24 | 1,596.18 | 8,893.42 |
| Dividend to unsecured creditors | | | - | 5,000.00 | 5,000.00 |
| | | | <u>43,139.11</u> | <u>14,577.06</u> | <u>57,716.17</u> |
| Balance in hand | | | 7,530.89 | - | - |
| | | | <u>50,670.00</u> | <u>14,577.06</u> | <u>57,716.17</u> |

Notes

(1) Category 1 disbursements are actual costs incurred in relation to the estate and do not include items such as overhead costs. Where possible, all disbursements are broken down and shown in their constituent parts i.e. statutory advertising.

(2) Category 2 disbursements are costs incurred in relation to the estate, which are paid to the Office Holder's firm or any other associate that the firm has an interest in. These costs may include such items as internal room hire. Where possible, all disbursements are broken down and shown in their constituent parts and marked accordingly

PINS & STRIPES LIMITED
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APPENDIX 3

JOINT LIQUIDATOR'S TIME COSTS SUMMARY & SIP9 ANALYSIS
FOR THE PERIOD FROM 25 AUGUST 2016 TO 24 AUGUST 2017

| Classification Of work Function | Partner | Manager | Other Senior Professional | Assistants & Support Staff | Total Hours | Time Cost £ | Average Hourly Rate £ |
|--|------------------|------------------|--------------------------------------|---|------------------------|------------------------|--------------------------------------|
| Administration & Planning | 14.40 | 33.40 | 31.50 | 3.00 | 82.30 | 22,702.50 | 275.85 |
| Investigations | 1.10 | 9.30 | - | - | 10.40 | 3,285.00 | 315.87 |
| Realisation of Assets | 12.20 | 44.30 | 2.30 | - | 58.80 | 19,205.50 | 326.62 |
| Creditors | 1.80 | 10.20 | 11.80 | - | 23.80 | 6,053.00 | 254.33 |
| Case Specific Matters | - | 3.10 | - | 0.50 | 3.60 | 992.50 | 275.69 |
| Total Fees Claimed £ | 13,275.00 | 30,090.00 | 8,436.00 | 437.50 | | 52,238.50 | |
| Total Hours | 29.50 | 100.30 | 45.60 | 3.50 | 178.90 | | |
| Average Rate | 450.00 | 300.00 | 185.00 | 125.00 | | 292.00 | |

**PINS & STRIPES LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)**



APPENDIX 4

PROOF OF DEBT FORM

Proof of Debt – General Form

PINS & STRIPES LIMITED (IN LIQUIDATION)
DATE OF APPOINTMENT – 25 AUGUST 2016

1 Name of creditor
(If a company, provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)
(include any Value Added Tax)

4 If amount in 3 above includes (£)
outstanding uncapitalised interest, state amount.

5 Details of how and when the debt was incurred.
(If you need more space, attach a continuation sheet to this form)

6 Details of any security held, the value of the security and the date it was given.

7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.

8 Details of any document by reference to which the debt can be substantiated

9 Signature of creditor
(or person authorised to act on the creditor's behalf)

10 Address of person signing if different from 2 above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor