

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

FRIDAY



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A11

27/03/2020

#89

COMPANIES HOUSE

### 1 Company details

Company number 08971474

Company name in full Employee Protection Unit Limited

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

### 2 Liquidator's name

Full forename(s) Christopher

Surname Latos

### 3 Liquidator's address

Building name/number 44-46 Old Steine

Street Brighton

Post town BN1 1NH

County/Region

Postcode

Country

### 4 Liquidator's name

Full forename(s) Susan

Surname Maund

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

### 5 Liquidator's address

Building name/number 44-46 Old Steine

Street Brighton

Post town BN1 1NH

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	<sup>d</sup> 2	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
To date	<sup>d</sup> 2	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0

**7** Progress report

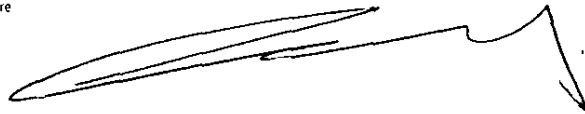
☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X



X

Signature date

<sup>d</sup> 2	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
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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.

Contact name **Jamie Pain**Company name **White Maund**Address **44-46 Old Steine****Brighton**Post town **BN1 1NH**

County/Region

Postcode

Country

DX **info@whitemaund.co.uk**Telephone **01273 731144****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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

# **Joint Liquidators' Annual Progress Report to Creditors & Members**

**Employee Protection Unit Limited  
- In Liquidation**

**23 March 2020**

## **EMPLOYEE PROTECTION UNIT LIMITED - IN LIQUIDATION**

### **CONTENTS**

- 1**      *Introduction and Statutory Information*
- 2**      *Receipts & Payments*
- 3**      *Progress of the Liquidation*
- 4**      *Creditors*
- 5**      *Joint Liquidators' Remuneration*
- 6**      *Creditors' Rights*
- 7**      *Next Report*

### **APPENDICES**

- A**      *Joint Liquidators' Summary of Receipts and Payments*
- B**      *Additional information in relation to Joint Liquidators' Fees, Expenses & Disbursements*
- C**      *Charge Our Rates & Policy Regarding the Recharge of Disbursement Recovery Pursuant to Statement of Insolvency Practice No. 9 (SIP9)*

## EMPLOYEE PROTECTION UNIT LIMITED - IN LIQUIDATION

### 1 Introduction and Statutory Information

- 1.1 I, Christopher Latos, together with my colleague Susan Maund, of White Maund, 44-46 Old Steine, Brighton, BN1 1NH, was appointed as Joint Liquidator of Employee Protection Unit Limited ("the Company") on 25 January 2017. This progress report covers the period from 25 January 2019 to 24 January 2020 ("the Period") and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://www.whitemaund.co.uk/wp-content/uploads/2018/07/WM-Privacy-Policy.pdf>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.3 The principal trading address of the Company was Welglaze Building, Watermill Industrial Estate, Buntingford, Hertfordshire, SG9 9JS.
- 1.4 The registered office of the Company has been changed to White Maund, 44-46 Old Steine, Brighton, East Sussex, BN1 1NH and its registered number is 08971474.

### 2 Receipts and Payments

- 2.1 At Appendix A is my Receipts and Payments Account covering the Period of this report together with a cumulative Receipts and Payments Account for the period from the date of my appointment as Joint Liquidator to the end of the Period covered by this report.

### 3 Progress of the Liquidation

- 3.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Joint Liquidators and their staff.

#### *Administration (including statutory compliance & reporting)*

- 3.2 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees estimate/information.
- 3.3 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidators.
- 3.4 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

#### **Realisation of Assets**

##### Director's Settlement

- 3.5 Creditors will recall that the Joint Liquidators have been investigating a potential settlement and we contacted the director with details of the amount we believe due to the Company and requested settlement.
- 3.6 This led to extensive negotiations with the director and a sum of £10,000 in full and final settlement was offered. Following a review of the director's financial situation this amount was accepted and solicitors were instructed to prepare a formal settlement agreement.
- 3.7 Whilst the terms of the agreement are confidential, I confirm that payment has been received in full and no further recoveries will be made in this respect.

## EMPLOYEE PROTECTION UNIT LIMITED - IN LIQUIDATION

- 3.8 It is considered that the work the Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3<sup>rd</sup> party security, result in a distribution to the preferential and unsecured creditors of the Company.

### ***Creditors (claims and distributions)***

- 3.9 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Joint Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 3.10 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 3.11 The above work will not necessarily bring any financial benefit to creditors generally, however the Joint Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Joint Liquidators in dealing with those claims.

### ***Investigations***

- 3.12 You may recall from my first progress report to creditors that some of the work the Joint Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ("CDDA 1986") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Liquidators can pursue for the benefit of creditors.
- 3.13 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential.
- 3.14 Since my last progress report I would advise that no further asset realisations have come to light that may be pursued by me for the benefit of creditors.

### ***Matters still to be dealt with***

VAT Return

- 3.15 A post appointment VAT refund in the sum of £1,058 is due. The return has been filed with HMRC and we are currently awaiting the refund.

## **4 Creditors**

### ***Preferential Creditors***

- 4.2 A summary of preferential claims is detailed below.

<b>Preferential claim</b>	<b>Claim £</b>	<b>Statement of Affairs Claim £</b>	<b>Dividend paid p in the £1</b>
Employee claims (Total number of claims = 1)	2,635	0	0
Department for Business, Energy & Industrial Strategy (BEIS)	1,029	0	0

## EMPLOYEE PROTECTION UNIT LIMITED - IN LIQUIDATION

- 4.3 Based on current information, it is not envisaged that there will be sufficient funds available to enable a dividend to the preferential creditors.

### ***Unsecured Creditors***

- 4.4 I have received claims totalling £140,881 from two creditors. I have yet to receive claims from one creditor whose debt totals £40,097 as per the Company's statement of affairs.
- 4.5 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part), which only applies to charges created after 15 September 2003.
- 4.6 I confirm that there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

## **5 Joint Liquidators' Remuneration**

- 5.1 Creditors approved that the basis of the Joint Liquidators' remuneration be set at £10,000 plus VAT and disbursements. *My fees information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.*
- 5.2 The Joint Liquidators have drawn £10,000 against the total set fee agreed by creditors.
- 5.3 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <https://www.icaew.com/technical/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides>.
- 5.4 Attached at Appendices B and C is additional information in relation to the Joint Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

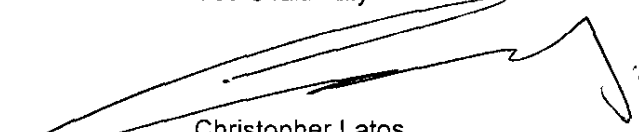
## **6 Creditors' Rights**

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, *in all the circumstances, the basis fixed for the Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive.*

## **7 Next Report**

- 7.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.

Yours faithfully



Christopher Latos  
Joint Liquidator



**Employee Protection Unit Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts and Payments**

RECEIPTS	Statement of Affairs (£)	From 25/01/2017 To 24/01/2019 (£)	From 25/01/2019 To 24/01/2020 (£)	Total (£)
Third Party Contribution		9,000.00	0.00	9,000.00
Bank Interest Gross		0.48	0.00	0.48
Director's Settlement		0.00	10,000.00	10,000.00
		<b>9,000.48</b>	<b>10,000.00</b>	<b>19,000.48</b>
<b>PAYMENTS</b>				
Specific Bond		396.00	0.00	396.00
Preparation of S. of A.		3,750.00	0.00	3,750.00
Office Holders Remuneration		0.00	10,000.00	10,000.00
Agents/Valuers Fees (1)		3,750.00	0.00	3,750.00
Statutory Advertising		0.00	292.00	292.00
		<b>7,896.00</b>	<b>10,292.00</b>	<b>18,188.00</b>
<b>Net Receipts/(Payments)</b>		<b>1,104.48</b>	<b>(292.00)</b>	<b>812.48</b>
<b>MADE UP AS FOLLOWS</b>				
Bank 2 Current		1,104.48	(1,350.40)	(245.92)
VAT Receivable / (Payable)		0.00	1,058.40	1,058.40
		<b>1,104.48</b>	<b>(292.00)</b>	<b>812.48</b>

**Additional Information in Relation to the Joint Liquidators' Fees, Expenses & Disbursements****1 Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.1 We are not proposing to utilise the services of any sub-contractors in this case.

**2 Professional Advisors**

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
VZX Consultancy (financial advice)	Fixed fee of £3,750 as agreed by creditors.
Gary Player solicitors (legal advice)	Hourly rate and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

**3 Joint Liquidators' Expenses & Disbursements*****Current position of Joint Liquidators' expenses***

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Agents' costs	3,750	0	0	3,750
Statutory advertising	0	292	0	292
Specific penalty bond	0	396	0	396

- 3.3 As at the date of writing this report, it is not envisaged there will be any further expenses and disbursements incurred in addition to the above
- 3.4 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

## EMPLOYEE PROTECTION UNIT LIMITED - IN LIQUIDATION

- 3.5 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

## CHARGE OUT RATES & POLICY REGARDING THE RECHARGE OF DISBURSEMENT RECOVERY PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE No. 9 (SIP9)

### 1 CHARGE-OUT RATES

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 June each year are as follows:

Staff	From 01/10/2017 Per hour (£)	From 01/02/2020 Per hour (£)
Directors	275	275
Manager	-	195
Administrators	80 - 150	80-150
Assistants & Support Staff	75	75

### 2 DISBURSEMENT RECOVERY

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

#### 2.1 Category 1 Disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by White Maund and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, 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.

#### 2.2 Category 2 Disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by White Maund and recharged to the case; they are not attributed to the case by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The firm's current policy is that it recharges Category 2 disbursements as follows:

Expense	Recharge £
Destruction of books and records (per box)	2.50
Reports / Letters etc – per creditor	3.25
Correspondence – per debtor	2.00
Mileage at HMRC approved rate – per mile	0.45

All costs are subject to VAT, where applicable and reflect the actual cost of the materials or services used.