

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 1 1 1 4 5 0 3 5

Company name in full Gondal Holdings Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Alex

Surname Kachani

3 Liquidator's address

Building name/number The Copper Room

Street Deva City Office Park

Post town Trinity Way

County/Region Manchester

Postcode M 3 7 B G

Country

4 Liquidator's name ①

Full forename(s) Gareth

Surname Hunt

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number The Copper Room

Street Deva City Office Park

Post town Trinity Way

County/Region Manchester

Postcode M 3 7 B G

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 1	^d 9	^m 0	^m 5	^y 2	^y 0	^y 2	^y 2
To date	^d 1	^d 8	^m 0	^m 5	^y 2	^y 0	^y 2	^y 3

7 Progress report

☐ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

X

Signature date

^d 1	^d 1	^m 0	^m 7	^y 2	^y 0	^y 2	^y 3
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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 **Gareth Hunt**

Company name **Royce Peeling Green Limited**

Address **The Copper Room**

Deva City Office Park

Post town **Trinity Way**

County/Region **Manchester**

Postcode **M 3 7 B G**

Country

DX

Telephone **0161 608 0000**



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

Joint Liquidators' Annual Progress Report to Creditors & Members

**Gondal Holdings Ltd
- In Creditors' Voluntary Liquidation**

Reporting period from 19 May 2022 to 18 May 2023

11 July 2023

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** Receipts and Payments Account for the Period from 19 May 2022 to 18 May 2023
- B** Additional information in relation to Joint Liquidators' Fees, Expenses & the use of Subcontractors

1 Introduction and Statutory Information

- 1.1 Gareth Hunt and Alex Kachani of Royce Peeling Green incorporating Crawfords were appointed as Joint Liquidators of Gondal Holdings Ltd (the **Company**) on 19 May 2022. We are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales and are bound by the Insolvency Code of Ethics when carrying out work relating to insolvency appointments. In the event of case related queries, the Joint Liquidators can be contacted on telephone number 0161 608 0000 or by email via businessrecovery@rpg.co.uk.
- 1.2 This progress report provides an update on the conduct of the Liquidation for the period from 19 May 2022 to 18 May 2023 (**the Period**) and should be read in conjunction with any previous reports which have been issued.
- 1.3 Information about the way that this firm will use, and store personal data on insolvency appointments can be found at <https://rpg.co.uk/wp-content/uploads/2019/03/rpg-ca-privacy-policy.pdf>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The principal trading address of the Company was 17 Clayton Street, Blackburn, BB2 2ED.
- 1.5 The registered office of the Company has been changed to The Copper Room, Deva City Office Park, Trinity Way, Manchester, M3 7BG and its registered number is 11145035.

2 Receipts and Payments

- 2.1 At Appendix A is our Receipts and Payments Account covering the Period of this report.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs.

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 we anticipated would need to be done in this area was outlined in our initial fees estimate/information which was previously agreed by creditors.
- 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 Joint Liquidators.
- 3.4 As noted in our 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

Cash in Hand

- 3.5 Prior to the Joint Liquidators appointment, cash in hand to the value of £5,000 was held on account representing funds received from the Director personally to contribute towards the costs of the liquidation.

Gross Bank Interest

- 3.6 Gross bank interest to the value of £0.10 has been received with the Period.

Book Debts

- 3.7 The Director's estimated Statement of Affairs detailed book debts and retentions with a book value of £197,475, with an unknown estimated to realise value. The Director had advised that these trade debtors had become unrecoverable when projects were left uncompleted. The Joint Liquidators have not been provided with any records from which enquires into this matter can be verified at this time.

Stock

The Statement of Affairs listed stock with a net book value of £60,578. The Director had advised that this primarily related from one customer, however it was believed that this value had been downgraded and used in the ordinary course of trade and accordingly held no realisable value. As noted above, the Joint Liquidators have not been provided with any records from which enquires into this matter can be verified at this time.

Plant & Machinery

The Director had advised that the Company's plant and machinery and fixtures and fittings with a value of £259,900 had been disposed of and/or removed by subcontractors when then left the Company without the consent of HSBC Bank Plc who hold a fixed and floating charge over the assets.

The Joint Liquidators have taken steps to verify this position and have requested additional information from the Director which unfortunately has not been forthcoming. Our enquiries have been hampered by the lack of available information.

In attempts to verify and progress the above matters the Joint Liquidators have instructed Freeths Solicitors to pursue certain matters of concern.

- 3.8 It is not anticipated that the work the Joint Liquidators have carried out to date to deal with the Company's assets will provide a financial benefit to creditors. This is because either the value of the assets was insufficient to produce a financial benefit after the associated costs of realisation were taken into consideration, or because there were no assets owned by the Company in accordance with the Company's statement of affairs that could be realised for the benefit of creditors.

Creditors (claims and distributions)

- 3.9 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 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.
- 3.11 Work undertaken by the Joint Liquidators in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however the 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.
- 3.12 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.
- 3.13 At this stage, we consider the following matters worth bringing to the attention of creditors:
- There is one secured creditor who according to the Director's estimated Statement of Affairs was owed approximately £170,000
 - There are no anticipated claims from primary or secondary preferential creditors in the liquidation
 - There are approximately three unsecured creditor claims in this case with a value as per the Director's estimated Statement of Affairs of £96,841.98

Investigations

- 3.14 Some of the work that 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.
- 3.15 We can confirm that we have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, we are unable to disclose the contents thereof.
- 3.16 Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account any information provided by creditors. Our investigations are currently ongoing.

Matters still to be dealt with

- 3.17 The following matters remain outstanding in the liquidation:
- Continued investigations into how the Company and its affairs have been managed historically leading to the insolvency of the Company.
 - Continued investigations into the location and recovery of Company assets.
 - The collection of outstanding book debts owed to the Company.

4 Creditors

Secured Creditors

- 4.1 HSBC UK Bank PLC holds a fixed and floating charge over the Company's assets company created on 4 May 2021 and delivered at Companies House on 5 May 2021. The qualifying floating charge is still shown as outstanding at Companies House. At the date of the liquidation the indebtedness to the secured creditor was estimated at £170,000 and a claim of £170,138.89 has been received.

Preferential Creditors

- 4.2 There are no known primary or secondary preferential creditors and no claims have been received to date.

Unsecured Creditors

- 4.3 The Director's estimated Statement of Affairs indicated there were three creditors whose debts totalled £96,841.98. To date, we have received claims totalling £113,480.70 from five creditors.
- 4.4 The Company granted a floating charge to HSBC UK Bank PLC on 4 May 2023. Accordingly, we are required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**).
- 4.5 Based on present information, there are no floating charge asset realisations and therefore the Prescribed Part will not apply. Please note that this information may be subject to change and the final outcome can only be determined once all asset realisations have been made.

5 Joint Liquidators' Remuneration

- 5.1 Creditors approved that our unpaid pre-liquidation fees totalling £5,000 inclusive of VAT and expenses be paid from the estate by a decision procedure by postal resolution on 13 June 2022.. During the Period, £3,770 plus VAT has been drawn as part payment of these fees and are shown on the enclosed Receipts and Payments Account at Appendix A.
- 5.2 The Creditors approved that the basis of the Joint Liquidators' remuneration be fixed as a set amount of £15,000 plus VAT. Our fees estimate/information was originally provided to creditors when the basis of our remuneration was approved and was based on information available to us at that time.
- 5.3 To date due to insufficient realisations, no remuneration has been drawn against the total fixed fee agreed of £15,000 plus VAT.
- 5.4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>
- 5.5 Attached as Appendix B is additional information in relation to the Joint Liquidators' fees and expenses including where relevant, information on the use of subcontractors and professional advisers.

6 Creditors' Rights

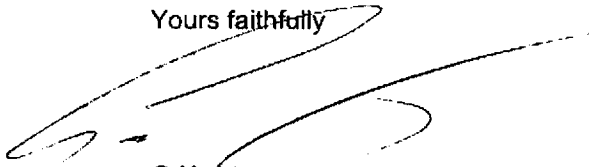
- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidators provide further information about their remuneration or expenses which have been itemised 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 Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidators, as set out in this progress report, are excessive.

7 Next Report

- 7.1 We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final account.
- 7.2 If you have any queries in relation to the contents of this report, we can be contacted by telephone on 0161 608 0000 or by email at businessrecovery@rpg.co.uk.

Yours faithfully

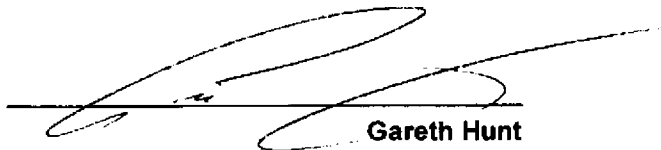
A large, stylized handwritten signature in black ink, appearing to be 'G Hunt', written over a horizontal line.

G Hunt
Joint Liquidator

Appendix A

Receipts and Payments Account for the Period from 19 May 2022 to 18 May 2023

	Statement of affairs £	From 19/05/2022 To 18/05/2023 £
RECEIPTS		
Plant & Machinery	NIL	0.00
Book Debts and Retentions	Uncertain	0.00
Stock	NIL	0.00
Cash in Hand	5,000.00	5,000.00
Bank Interest Gross		0.10
		5,000.10
PAYMENTS		
Specific Bond		44.00
Preparation of Statement of Affairs Fee		3,770.00
Statutory Advertising		269.40
Irrecoverable VAT		807.88
To chargeholder (HSBC Bank Plc)	-170,000.00	0.00
Trade & Expense Creditors	-66,717.98	0.00
Directors	-30,124.00	0.00
Ordinary Shareholders	-100.00	0.00
		4,891.28
BALANCE - 18 May 2023		108.82



Gareth Hunt
Joint Liquidator

Appendix B

Additional Information in Relation to the Joint Liquidators' Fees, Expenses & the use of Subcontractors

Staff Allocation and the use of Subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

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.

We have not utilised the services of any subcontractors on this case.

Professional Advisors

We have not utilised any professional advisors on this assignment.

Joint Liquidators' Expenses

The estimate of expenses which were anticipated at the outset of the liquidation was provided to creditors when the basis of our fees was approved. The table below compares the anticipated costs against those incurred to date.

Category 1 expenses

These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.

Expense	Estimated overall cost £	Paid in the period covered by this report £	Incurred but not paid to date £
Statutory advertising	360.00	269.40	-
Specific Penalty Bond	44.00	44.00	-
Legal Fees	Nil	Nil	5,970.30

Category 2 expenses

These expenses 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 therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2 expenses charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by creditors. We do not anticipate that any Category 2 expenses will be drawn throughout the duration of the liquidation.