

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 5 8 5 0 2 9

Company name in full Sourced Central Manchester Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Michael

Surname Goldstein

3 Liquidator's address

Building name/number Devonshire House

Street Manor Way

Post town Borehamwood

County/Region Hertfordshire

Postcode W D 6 1 Q Q

Country

4 Liquidator's name ①

Full forename(s) Avner

Surname Radomsky

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Devonshire House

Street Manor Way

Post town Borehamwood

County/Region Hertfordshire

Postcode W D 6 1 Q Q


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

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6	Period of progress report															
From date	^d	0	^d	1	^m	0	^m	8	^y	2	^y	0	^y	2	^y	2
To date	^d	3	^d	1	^m	0	^m	7	^y	2	^y	0	^y	2	^y	3
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	2	^d	5	^m	0	^m	8	^y	2	^y	0	^y	2	^y	3

**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 **Michael Goldstein**

Company name **RG Insolvency Limited**

Address **Devonshire House**

Manor Way

Post town **Borehamwood**

County/Region **Hertfordshire**

Postcode **W D 6 1 Q Q**

Country

DX **info@rginsolvency.com**

Telephone **0203 6037871**

**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

SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION



**Joint Liquidators' Annual Progress Report
to Creditors and Members**

**Sourced Central Manchester Limited
- In Liquidation**

24 August 2023

SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION**CONTENTS**

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APPENDICES

- A** Receipts and Payments Account for the Period from 1 August 2022 to 31 July 2023
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SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Michael Goldstein, together with my partner Avner Radomsky, of RG Insolvency Limited, Devonshire House, Manor Way, Borehamwood, Hertfordshire, WD6 1QQ, was appointed as Joint Liquidator of Sourced Central Manchester Limited (the **Company**) on 1 August 2022.
- 1.2 Where joint liquidators are appointed any reference to the singular appointment shall be read as joint and in the plural.
- 1.3 This progress report covers the period from 1 August 2022 to 31 July 2023 (**the Period**).
- 1.4 The principal trading address of the Company was 8 Errwood Road, Manchester, M19 2PA. The Company traded as a franchisee for Sourced.co.
- 1.5 The registered office of the Company has been changed to Devonshire House, Manor Way, Borehamwood, Hertfordshire, WD6 1QQ and its registered number is 11585029.
- 1.6 Information about the way that we will use, and store personal data on insolvency appointments can be found at www.rginsolvency.com/privacy-disclosure. If you are unable to download this, please contact us and a hard copy will be provided to you.

2 Receipts and Payments

- 2.1 At Appendix A is my 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.
- 3.2 Further information about the basis of remuneration agreed in this case and the Liquidators' fees estimate can be found in section 5 of this report, together with any relevant information about revisions to this estimate, where applicable.

Administration (including statutory compliance & reporting)

- 3.3 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 information which was previously agreed by creditors.
- 3.4 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.
- 3.5 As noted in my initial fees information, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.
- 3.6 Some of the work undertaken by an insolvency practitioner is required by statute and may not necessarily provide a financial benefit to creditors but is required on every case by statute. Examples of this work include investigations required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 or dealing with the claims of the former employees via the National Insurance Fund.
- 3.7 Below are details of the work I have undertaken during the reporting period:-

SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION

- (i) Notifying creditors of the Liquidator's appointment and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House
- (ii) Complying with statutory duties in respect of the Liquidator's specific penalty bond
- (iii) Creation and update of case files on my firm's insolvency software
- (iv) Securing the Company's books and records
- (v) Completion and filing of the notice of the Company's insolvency to HMRC
- (vi) Completion of statutory duties in relation to identifying a pension scheme
- (vii) Periodic case progression review
- (viii) Opening, maintaining the liquidation estate cashbook and bank account
- (ix) Dealing with all post-appointment corporation tax compliance
- (x) Writing to the director to draw her attention to the provisions of sections 216 and 217 of the Insolvency Act 1986
- (xi) Writing to the Company's bankers requesting details of any securities held and copies of bank statements for the 24-month prior to liquidation
- (xii) Providing the director with a questionnaire for completion to assist the Liquidator with his investigations into the Company's affairs
- (xiii) On-going review of ethical considerations.

3.8 Based on the current position of the case, the current work which remains to be completed is the following:-

- (i) Complying with statutory duties in respect of the Liquidator's specific penalty bond
- (ii) Continuing to maintain the liquidation estate cashbook and bank account
- (iii) Continuing to update case files on my firm's insolvency software
- (iv) Continuing to deal with all post-appointment corporation tax compliance
- (v) Completion of periodic case progress reviews
- (vi) Preparing and issuing an annual progress report to members and creditors
- (vii) On-going review of ethical considerations
- (viii) Statutory steps to close the liquidation.

Realisation of Assets

3.9 It is not anticipated that the work the Liquidator has carried out 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.

3.10 The following realisations were achieved during the Period.

SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION

3.11 Funds held by RG Insolvency

- (i) The Director's Statement of Affairs indicated that the funds held by RG Insolvency were estimated to realise £2,100.00 and £2,101.46 was paid into the liquidation account upon my appointment.

3.12 All funds received within the liquidation are placed in a specifically designated account.

Unrealised Assets

3.13 Based on the current position of the case, the remaining unrealised assets include the following:-

- (i) There are no additional known unrealised assets.

Creditors (claims and distributions)

3.14 Further information on the anticipated outcome for creditors in this case can be found at section 4 of this report. The 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.

3.15 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.

3.16 Work undertaken by the 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 Liquidators in dealing with those claims.

3.17 More information on the anticipated outcome for all classes of creditor in this case can be found below.

3.18 At this stage, I consider the following matters worth bringing to the attention of creditors:

- There is no secured creditor
- There are approximately 2 unsecured creditor claims in this case with a value per the director's statement of affairs of £7,394.27. I have received claims from both totalling £6,443.94; no further claims are anticipated.
- No claims have been agreed at this stage

Investigations

3.19 Some of the work the 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. This work may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidators can pursue for the benefit of creditors.

SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION

- 3.20 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 3.21 Shortly after appointment, I 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 information provided by creditors as a response to my request to complete an investigation questionnaire.
- 3.22 My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

Matters still to be dealt with

- 3.23 Based on the current position of the case, the matters yet to be dealt with are as follows:-
- Liquidator to take statutory steps required to close the case.
 - Issuance of the final account once all matters have been dealt with.

4 Creditors

Secured Creditors

- 4.1 There are no secured creditors registered at Companies House.

Preferential Creditors

- 4.2 No claims were anticipated, and none have been received.

Unsecured Creditors

- 4.3 The Company's statement of affairs indicated there were 2 creditors whose debts totalled £7,394.27.
- 4.4 To date, I have received claims totalling £6,443.94 from the same; no further claims are anticipated.
- 4.5 Claims will only be adjudicated should a dividend become payable.

Qualifying Floating Charge Holder (QFC)

- 4.6 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.

5 Joint Liquidators' Remuneration

Pre-appointment costs

- 5.1 At the Virtual Meeting confirming my appointment, creditors authorised £1,750 plus disbursements and VAT to be paid as an expense of the Liquidation to RG Insolvency Limited, in respect of the preparation of the Statement of Affairs and for their assistance in seeking a decision of creditors on the nomination of a liquidator. These fees are yet to be drawn.

SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION

Post appointment remuneration

- 5.1 Creditors approved that the basis of the Liquidators' remuneration be fixed as a set amount and as a percentage of the value of the assets he has to deal with. 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 Liquidators' remuneration basis was agreed as a set amount by creditors. To date, no funds have been drawn against the total set fee agreed of £15,000 plus VAT. It is anticipated the balance will be drawn prior to the closure of the liquidation, however the final amount paid to my firm against the agreed set fee will be confirmed in my final progress report in due course.
- 5.3 The basis of the Liquidators' remuneration was agreed by creditors as a percentage of realisations made into the estate. Details of the realisations to date and associated remuneration drawn on account of those realisations is set out below. Any fees not yet drawn will be dealt with prior to closure and the final amount paid to my firm in this regard will be confirmed in my final progress report in due course.

Asset category	Value of assets realised in the Period £	Total value of assets realised since appointment £	Remuneration % agreed	Total fees due on realisations to date £	Drawn to date £
Funds Held by RG Insolvency	£2,101.46	£2,101.46	20%	£420.29	NIL

- 5.4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.rginsolvency.com/technical-resource/creditors-guides-to-fees/.
- 5.5 Attached as Appendix B is additional information in relation to the Liquidators' fees and expenses, including where relevant, information on the use of subcontractors and professional advisers.

6 Creditors' Rights

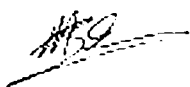
- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidators provide further information about their remuneration or expenses which have been itemised 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 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 make my final account available to all creditors.
- 7.2 If you have any queries in relation to the contents of this report, I can be contacted by telephone on 020 3603 7871 or by email at info@rginsolvency.com.

SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION

Yours faithfully

A handwritten signature in black ink, appearing to read 'MG', with a long horizontal line extending to the right.

Michael Goldstein
Joint Liquidator

SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION

Appendix A

Receipts and Payments Account for Period from 1 August 2022 to 31 July 2023

Sourced Central Manchester Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 01/08/2022 To 31/07/2023 £	From 01/08/2022 To 31/07/2023 £
	ASSET REALISATIONS		
2,100.00	Funds Held by RG Insolvency	2,101.46	2,101.46
		2,101.46	2,101.46
	UNSECURED CREDITORS		
(2,100.00)	Trade & Expense Creditors	NIL	NIL
(5,294.27)	Banks	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(5,295.27)		2,101.46	2,101.46
	REPRESENTED BY		
	Bank 1 Current		2,101.46
			2,101.46

Note:

Please note this Company is not VAT registered.

SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION

Appendix C

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

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 Director, 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.
- 1.3 We have not utilised the services of any subcontractors on this case.

2 Professional Advisors

- 2.1 On this assignment, we have not used the services of any professional advisors.

3 Joint Liquidators' Expenses

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

Category 1 expenses

- 3.2 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. 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 £
Specific Penalty Bond (1)	30.00	0.00	30.00
Statutory advertising (2)	263.40	0.00	260.10

- 3.3 (1) The current bond covers realisations into the estate up to a value of £5,000.00. Should realisations exceed £5,000.00, then there will be a corresponding increase in the premium payable.
- 3.4 (2) Three adverts have been placed in the London Gazette, attracting a charge of £86.70 plus VAT per advert. The adverts placed were i) the advertisement of the decision procedure, ii) the advertisement of the winding up and iii) the advertisement of the Liquidator's appointment.
- 3.5 All costs are subject to VAT.

Category 2 expenses

- 3.6 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

SOURCED CENTRAL MANCHESTER LIMITED - IN LIQUIDATION

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.

- 3.7 We have not paid any Category 2 expenses during the course of the liquidation.