

WU07

Notice of progress report in a winding-up by the court



Companies House

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

1 Company details

Company number 0 3 9 8 4 3 4 6

Company name in full Barons Finance Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Alan Brian

Surname Coleman

3 Liquidator's address

Building name/number Regency House

Street

Post town 45-53 Chorley New Road

County/Region Bolton

Postcode B L 1 4 Q R

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

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 2	^m 6	^m 1	^m 1	^y 2	^y 0	^y 1	^y 9
To date	^d 2	^d 5	^m 1	^m 1	^y 2	^y 0	^y 2	^y 0

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 2	^d 3	^m 0	^m 1	^y 2	^y 0	^y 2	^y 1
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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	Alan Brian Coleman
Company name	Cowgill Holloway Business Recovery LLP
Address	Regency House 45-53 Chorley New Road
Post town	Bolton
County/Region	
Postcode	B L 1 4 Q R
Country	
DX	
Telephone	0161 827 1200

**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

Barons Finance Limited - In Compulsory Liquidation

Period: 26 November 2019 to 25 November 2020

CONTENTS

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

APPENDICES

- A** Receipts and Payments Account for the Period from 26 November 2019 to 25 November 2020, together with a cumulative Receipts and Payments Account for Period from 26 November 2012 to 25 November 2020
- B** Time Analysis for the Period from 26 November 2019 to 25 November 2020
- C** Cumulative Time Analysis for the Period from 26 November 2012 to 25 November 2020
- D** Additional Information in Relation to Joint Liquidators' Fees, Expenses & Disbursements

1 Introduction and Statutory Information

- 1.1 I, Alan Brian Coleman of Cowgill Holloway Business Recovery LLP, Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR (formerly of Royce Peeling Green Limited, The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG), was appointed as Liquidator of Barons Finance Ltd (the Company) on 26 November 2012 following the presentation of a petition for the compulsory winding up of the Company.
- 1.2 The winding-up order was made on 19 September 2012 in the Manchester District Registry under court reference number 2615 of 2012. This progress report covers the period from 26 November 2019 to 25 November 2020 (**the Period**) and should be read in conjunction with any previous progress reports which have been issued.
- 1.3 On 15 July 2015 a court order was granted under which Roderick Michael Withinshaw ceased to be the Joint Liquidator and I remained as sole Liquidator. The court order was made in the Manchester District Registry under the reference 2699 of 2015.
- 1.4 Information about the way that we will use, and store personal data in relation to insolvency appointments can be found at <https://www.cowgills.co.uk/services/business-recovery/privacy-notice/>. If you are unable to download this, please contact our office and a hard copy will be provided to you.
- 1.5 The trading address of the Company is 169 Perry Vale, London, SE23 2JD.
- 1.6 The registered office of the Company has been changed to 169 Perry Vale, London, SE23 2JD and its registered number is 03984346.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.

Settlement Funds

- 2.2 The Company granted loans to circa 50 individuals. The Majority of these loans were for less than £25,000 and are therefore classed as loans that are regulated by the Consumer Credit Act., however, the Company did not have a Consumer Credit Licence.
- 2.3 There was a loan that was for more than £25,000 and, at the time of the loan, no Consumer Credit Licence is required for this loan.
- 2.4 This was a loan of c£40k which was to assist with the purchase of a property and under normal circumstances, the Company would become second charge holder. However, due to a mistake by the solicitor lodging the charge documentation the Company became the first charge holder. The second charge holder made a claim against the Solicitors who acted for the original borrower.
- 2.5 As previously advised, the loanee was subsequently declared insolvent and their property had to be dealt with, therefore, I liaised with the Solicitors engaged by insurers for the Solicitors that dealt with the original conveyancing (DAC Beechcrofts) and the sum of £134,518.39 was received from this source by way of an agreed settlement.

- 2.6 These funds were held by Stephenson solicitors ("Stephensons") pending the outcome of the appeal hearing. As the funds were not capable of being classed as an asset of the asset until the litigation had been resolved between the Company and various others including the Director.
- 2.7 As the appeal was dismissed, the majority of the funds have been used to cover the substantial legal costs incurred throughout this assignment, however, the sum of £33,100 was received from the funds held by Stephensons during the period. As the legal fees were directly associated with the only realisation, Stephensons deducted their costs and the Barristers costs direct from the asset and the net realisation of £33,100 was paid into the estate.
- 2.8 It should be noted that from the settlement funds received the petitioning creditors' costs of £13,443.95 were paid. In addition, the insolvency service account fees of £7,106 have been settled, with the remaining balance held to be used as a contribution towards the liquidators' considerable time costs in this matter.
- 2.9 At Appendix A is our Receipts and Payments Account for the Period. Attached at Appendix B is a Cumulative Receipts and Payments Account for the period from the date of our appointment as Joint Liquidators to the end of the Period.

Administration (including statutory compliance & reporting)

- 2.10 A liquidator must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation.
- 2.11 This time was spent undertaking work in the following areas:-
- Preparation and issuing previous progress report to Members and Creditors;
 - Case Reviews;
 - Bank Reconciliations;
 - CT600s to H M Revenue & Customs;
 - General correspondence with Stephenson Solicitors
 - General correspondence with FCA
 - Cashiering;
 - Case filing.
- 2.12 Creditors should note that this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Creditors (claims and distributions)

- 2.13 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is 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.
- 2.14 This time was spent undertaking work in the following areas:-
- Preparation and issuing previous progress report to Members and Creditors;

- Dealing with numerous calls from loanees' enquiring about the charges on their properties
- 2.15 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.16 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is 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 Liquidator in dealing with those claims.

Matters still to be dealt with

- 2.17 The only matter to be dealt with is liaising with our solicitors regarding the removal of charges from loanees properties.

3 Creditors

Secured Creditors

- 3.1 There are no secured creditors in this matter.

Preferential Creditors

- 3.2 There are no preferential creditors in this matter.

Unsecured Creditors

- 3.3 I have received claims totalling £64,708.75 from two creditors.
- 3.4 I have yet to receive claims from three creditors whose debts are estimated to total £25,006.13.
- 3.5 I can confirm that it is not anticipated that there will be a dividend to unsecured creditors in this matter.

4 Joint Liquidators' Remuneration

- 4.1 Creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation.
- 4.2 My time costs for the Period are £9,785.50 This represents 62.20 hours at an average rate of £157.52 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by us in managing the liquidation.
- 4.3 Also attached as Appendix C is a cumulative Time Analysis for the period from 26 November 2012 to 25 November 2020 which provides details of our time costs since our appointment. The cumulative time costs incurred to date are £65,201.10. This represents 363.25 hours at an average rate of £179.49 per hour.

- 4.4 To date, remuneration of £7,000 has been drawn on account.
- 4.5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://www.cowgills.co.uk/wp-content/uploads/2016/01/Creditors-Guide-to-Liquidators-Fees.pdf>.
- 4.6 Attached as Appendix D 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.

5 Creditors' rights

- 5.1 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 Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.
- 5.2 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 Liquidator's 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.

6 Next Report

- 6.1 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.
- 6.2 If you have any queries in relation to the contents of this report, we can be contacted by telephone on 0161 827 1200 or by email at chris.jones@cowgills.co.uk.

Yours faithfully



Alan Coleman
Joint Liquidator

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Appendix A

**Receipts and Payments Account for the Period from 26 November 2019 to 25 November 2020,
together with a cumulative Receipts and Payments Account for the period 26 November 2012 to
25 November 2020**

Statement of Affairs £	From 26/11/2019 To 25/11/2020 £	From 26/11/2012 To 25/11/2020 £
ASSET REALISATIONS		
Bank interest Gross	16.02	31.76
Cash at Bank	NIL	136.00
Dividends	NIL	1,886.02
Settlement funds	33,100.00	33,100.00
	<u>33,116.02</u>	<u>35,153.78</u>
COST OF REALISATIONS		
Bank Charges	44.00	660.00
Corporation Tax	3.20	6.35
DTI Cheque Fees	1.85	1.85
Irrecoverable VAT	1,604.87	1,604.87
Legal Disbursements	NIL	480.00
Office Holders Expenses	1,048.36	1,048.36
Office Holders Fees	7,000.00	7,000.00
Petitioners Costs	13,443.95	13,443.95
Sec of State Fees	7,106.43	7,106.43
Specific Bond	72.00	72.00
Transfer from Official Receiver	NIL	1,550.00
	<u>(30,324.66)</u>	<u>(32,973.81)</u>
	<u>2,791.36</u>	<u>2,179.97</u>
REPRESENTED BY		
ISA A/C		1,275.42
Suspense Bank Account		904.55
		<u>2,179.97</u>

Appendix B

Time Analysis for the Period from 26 November 2019 to 25 November 2020

	Partner	Director	Manager	Senior Administrator	Administrator	Junior Administrator	Trainee	Cashier/Support	Total hours	Total Cost £	Average Cost £
Administration (inc statutory compliance & reporting)	1.40	-	-	-	-	1.75	-	-	3.15	603.75	191.67
Creditors (claims & distributions)	0.20	-	-	53.50	-	1.65	-	-	55.35	8,793.25	158.87
Investigations	-	-	-	-	-	-	-	-	-	-	-
Cashiering	-	-	-	-	-	3.70	-	-	3.70	388.50	105.00
Realisation of assets	-	-	-	-	-	-	-	-	-	-	-
Employee Issues	-	-	-	-	-	-	-	-	-	-	-
Total Hours	1.60	-	-	53.50	-	7.10	-	-	62.20	9,785.50	157.32
Current Chargeout Rates	300.00	0.00	250.00	160.00	150.00	105.00	40.00	102.00			

BARONS FINANCE LIMITED - IN COMPULSORY LIQUIDATION

Appendix C

Cumulative Time Analysis for the Period from 26 November 2012 to 25 November 2020

	Office Holder Hours	Manager Hours	Snr. Administrator Hours	Administrator/C ashier Hours	Total Hours	Total Cost £	Average Rate £
Statutory & Compliance	22.40	39.30	11.20	54.10	127.00	19,493.50	153.49
Cashiering	-	-	-	11.20	11.20	1,011.80	90.34
Creditor Communications	3.10	7.95	86.60	6.90	104.55	16,746.70	160.18
Investigations	-	0.30	-	2.10	2.40	246.30	102.63
Realisation of Assets	96.70	16.70	-	4.70	118.10	27,702.80	234.57
Total hours/Cost	122.20	64.25	97.80	79.00	363.25	65,201.10	179.49

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.
- 1.3 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
Stephenson Solicitors (legal advice)	Conditional fee agreement, incorporating an uplift on their hourly rates based upon success. No fee payable is unsuccessful.

- 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 periods £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Official Receivers Fees	.000	7,106.43	0.00	7,106.43
Legal Disbursements	480.00	0.00	0.00	480.00
Corporation Tax	3.15	3.20	0.00	6.35
Bank Charges	616.00	44.00	0.00	660.00
Category 2 disbursements				
Advertising	0.00	0.00	112.58	112.58
Travel	0.00	0.00	494.70	494.70
Postage	0.00	0.00	21.89	21.89
Sundries	0.00	0.00	24.00	24.00

3.3 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.

3.4 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 Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4 Charge-Out Rates

4.1 Cowgill Holloway Business Recovery LLP's current charge-out rates effective from 1 March 2012 are detailed below.

4.2 Please note this firm records its time in minimum units of 6 minutes.

Staff Grade	Rate per Hour
Partner	£375
Consultant	£300
Director	£300
Manager	£250
Senior Administrator	£180
Administrator	£150
Cashier/Support	£120
Junior Administrator	£100

RPG Charge-Out Rates

4.3 Royce Peeling Green Limited's current charge-out rates effective from 1 September 2016 are detailed below.

4.4 Please note this firm records its time in minimum units of 6 minutes.

	(Per hour) £
Partner/Senior Insolvency Practitioner	275.00
Senior Manager/Junior Insolvency Practitioner	250.00
Administrator/Support	102.00 - 150.00

4.5 Royce Peeling Green Limited's current charge-out rates effective from 1 January 2019 are detailed below.

BARONS FINANCE LIMITED - IN COMPULSORY LIQUIDATION

4.6 Please note this firm records its time in minimum units of 6 minutes.

	(Per hour) £
Insolvency Practitioner	300.00
Senior Insolvency Administrator	160.00
Administrator/Support	105.00