

# LIQ03

## Notice of progress report in voluntary winding up



For further information, please refer to our guidance at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number	0	4	6	8	2	2	6	7
Company name in full	Nicholas Smith Limited							

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

### 2 Liquidator's name

Full forename(s)	Simon David
Surname	Chandler

### 3 Liquidator's address

Building name/number	45 Church Street
Street	Birmingham
Post town	B3 2RT
County/Region	
Postcode	
Country	

### 4 Liquidator's name ①

Full forename(s)	Scott Christian
Surname	Bevan

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

### 5 Liquidator's address ②

Building name/number	45 Church Street
Street	Birmingham
Post town	B3 2RT
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

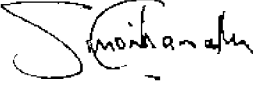
### 6 Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 4	<sup>m</sup> 1	<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> 1	<sup>d</sup> 3	<sup>m</sup> 1	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	

### 7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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### 8 Sign and date

Liquidator's signature	Signature <b>X</b>  <b>X</b>								
Signature date	<sup>d</sup> 0	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1	

# 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 **Simon David Chandler**

Company name **Mazars LLP**

Address **45 Church Street**

**Birmingham**

Post town **B3 2RT**

County/Region

Postcode

Country

DX

Telephone **0121 232 9500**



### 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)**

**Nicholas Smith Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 14/11/2019 To 13/11/2020 £	From 14/11/2019 To 13/11/2020 £
<b>ASSET REALISATIONS</b>		
	6.47	6.47
317.06	317.06	317.06
	299.30	299.30
3,604.65	4,800.05	4,800.05
NIL	NIL	NIL
9,400.00	5,000.00	5,000.00
400.00	416.67	416.67
1,100.00	NIL	NIL
Uncertain	NIL	NIL
800.00	850.00	850.00
	<u>11,689.55</u>	<u>11,689.55</u>
<b>COST OF REALISATIONS</b>		
	1,000.00	1,000.00
	8,000.00	8,000.00
	550.00	550.00
	331.04	331.04
	<u>(9,881.04)</u>	<u>(9,881.04)</u>
<b>PREFERENTIAL CREDITORS</b>		
(1,866.80)	NIL	NIL
(1,511.38)	NIL	NIL
Uncertain	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>UNSECURED CREDITORS</b>		
(125.00)	NIL	NIL
(108,334.00)	NIL	NIL
(58,231.67)	NIL	NIL
(1,073.00)	NIL	NIL
(5,487.74)	NIL	NIL
(108.00)	NIL	NIL
(79.71)	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>DISTRIBUTIONS</b>		
(100.00)	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>(161,295.59)</b>	<b><u>1,808.51</u></b>	<b><u>1,808.51</u></b>
<b>REPRESENTED BY</b>		
		32.31
		2,137.90
		(361.70)
		<u>1,808.51</u>

Simon David Chandler  
Joint Liquidator

## Nicholas Smith Limited - In Liquidation

Liquidators' progress report covering the period from 14 November 2019 to 13  
November 2020

### Contents

#### Liquidators' progress report

1	Introduction
2	Liquidators' Receipts and Payments
3	Asset Realisations and Details of Progress
4	Assets still to be realised
5	Estimated Outcome Statement
6	Liabilities
7	Prescribed Part
8	Investigations
9	Liquidators' Remuneration
10	Liquidators' Disbursements
11	Expenses
12	Matters Outstanding
13	Creditors' Rights

#### Appendices

A	Identification Details
B	Liquidators' Receipts and Payments Account
C	Estimated Outcome Statement
D	Expenses Statement
E	Analysis of the Liquidators' remuneration
E1	Liquidators' analysis of time costs and comparison to Fee Estimate
E2	Narrative Summary of Liquidators' time costs for the current period

## Nicholas Smith Limited - In Liquidation (“the Company”)

### Progress Report to Creditors & Members

#### 1. Introduction

- 1.1. This report is prepared pursuant to Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016, the purpose of which is to provide creditors with details of the progress of the Liquidation during the 12 months to 13 November 2020.
- 1.2. I was appointed as Joint Liquidator of the Company, together with Scott Bevan, by a decision of the creditors on 14 November 2019. We are authorised to act as Insolvency Practitioners in the UK by the Insolvency Practitioners Association.
- 1.3. Identification details relating to the Company and the Liquidators are attached at Appendix A.

#### 2. Liquidators' Receipts and Payments

- 2.1. A summary of receipts and payments covering the period from 14 November 2019 to 13 November 2020 is attached at Appendix B. A comparison of the figures provided in the Directors' Statement of Affairs to actual realisations made to date is included to assist creditors in assessing progress to date.
- 2.2. The Receipts and Payments Account confirms that there is currently a balance in hand of £32.31 and a VAT reclaim of £2,137.90 to be received in due course.
- 2.3. An explanation of the assets realised and the expenses paid is provided below.

#### 3. Asset Realisations and Details of Progress

##### Connected Party Transactions:

- 3.1. In accordance with Statement of Insolvency Practice 13, I would advise you that the following assets were sold to a connected party following my appointment. Further details are provided below.
- 3.2. Creditors may recall that for the purpose of preparing the Statement of Affairs, the Joint Liquidators instructed James Gregory (RICS) of MGR Appraisals Management Limited (“the Agents”) to provide valuations and following appointment to assist with realising the tangible assets.

##### 3.3. Motor Vehicle

- 3.4. Following our appointment, the Agents marketed the vehicle through a publicly advertised sales process. An offer of £500 including VAT for the Renault Master MWB Van was then received on 25 November 2019 from Mr Keith Nicholas, a Director of the Company. With no alternative offers due to the low realisable value for the vehicle, this offer was accepted based on the Agents advice as they could not guarantee to realise more after incurring further costs and are satisfied that this offer is the best outcome.

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## **Unconnected Party Transactions:**

3.5. Asset realisations made during the period covered by this report are detailed below.

### **3.6. Bank Interest**

Bank Interest of £6.47 has been earned during the period of this report.

### **3.7. Book Debts**

The Company's outstanding debtor ledger consisted of one book debt in the sum of £317.06. Following pursuit of the debt, payment in full was received on 12 March 2020.

### **3.8. Business Rates Refund**

A business rates refund in the sum of £299.30 was received from Dudley Metropolitan Borough Council on 26 February 2020.

### **3.9. Cash at Bank**

The Company's credit balance of £4,800.05 held with Barclays Bank Plc was transferred across to the Liquidation bank account on 15 January 2020.

### **3.10. Goodwill**

The Company's Goodwill was estimated to have a book value of £50,000 in the Directors' Statement of Affairs. There has been no realisation of Goodwill, as anticipated due to the Company's insolvency.

### **3.11. Sale of Office, Equipment, Fixtures & Fittings and Hire Stock located at trading address**

Following our appointment, all items located at the trading address were marketed by the Agents through a publicly advertised sales process. An offer of £6,000 plus VAT for all the items was received from the Director on 25 November 2019. This offer was then withdrawn and an offer of £5,000 plus VAT was subsequently received from an unconnected party. Following advice from the Agents that there was no guarantee to realise more for these assets, this offer was accepted on 9 December 2019 and the balance transferred from the Agents to the Liquidation estate on 6 January 2020.

### **3.12. Overpayments**

The overpayments totalling £223.85 relate to payments made to previous creditors of the Company. A commercial decision has been made to not pursue these overpayments due to three of the debts being under £50 and one also being a creditor of the Company.

### **3.13. Retail Stock**

As per the Directors' Statement of Affairs, Retail Stock located at Unit 26 Delph Trading Estate, Brierley Hill ("the Unit") had an estimated realisable value at £800. An offer of £850 plus VAT was received from an unconnected party following our appointment. Due to the landlord of the Unit forfeiting the lease and taking possession of the property, and following advice from the Agents, this offer was accepted and the balance transferred from the Agents to the Liquidation estate on 6 January 2020.

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## **4. Assets still to be realised**

- 4.1. There are no further assets to be realised in the liquidation, however, a final VAT reclaim is waiting to be processed by HM Revenue & Customs ("HMRC"). Due to the current COVID-19 pandemic, HMRC have been experiencing delays in reviewing and processing VAT claims. We will continue to liaise with HMRC regarding timing of the repayment in the next reporting period.

## **5. Estimated Outcome Statement**

- 5.1. An estimate of the outcome of the Liquidation is attached at Appendix C.
- 5.2. Based on expected realisations and payments, it is expected that there will insufficient funds to enable a return to preferential creditors.
- 5.3. Based on expected realisations and payments, it is expected that there will insufficient funds to enable a return to unsecured creditors.
- 5.4. Further details on the expected outcome for each class of creditor is provided below.

## **6. Liabilities**

### **6.1. Secured Creditors**

- 6.1.1. There are no secured creditors.

### **6.2. Preferential Creditors**

- 6.2.1. Preferential claims arise from arrears of wages and accrued, unpaid holiday pay due to the former employees of the Company who did not receive their full entitlements on redundancy, prior to the Liquidation.
- 6.2.2. The Company employed 10 employees who were made redundant prior to our appointment.
- 6.2.3. Preferential claims are estimated to be in the region £3,378.18 and include unpaid wages totalling £1,511.38 and accrued unpaid holiday pay totalling £1,866.80. Employees have submitted claims with the Redundancy Payments Service ("RPS") for these entitlements up to the statutory limit of £525 per week. The RPS will have a subrogated preferential claim in the Liquidation and any amounts owing to employees in excess of the statutory limits will be claimed in the Liquidation.
- 6.2.4. The Company operated an occupation pension scheme with NEST pensions and had unsettled contributions for the period 17 October 2019 to 28 October 2019.
- 6.2.5. As indicated in the Estimated Outcome Statement included at Appendix C, assuming that realisations and expenses are as anticipated, it is not expected that preferential creditors will receive a dividend.



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## **6.3. Unsecured Creditors**

- 6.3.1. According to the Directors' Statement of Affairs, the Company had 18 unsecured creditors with debts totalling £173,439.12. Claims received to date total £155,450.24 from 6 creditors.
- 6.3.2. Creditors will note from the Estimated Outcome Statement included at Appendix C, assuming that realisations and expenses are as anticipated, it is not expected that there will be a return to unsecured creditors due to insufficient funds.

## **7. Prescribed Part**

- 7.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter, subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.
- 7.2. As there is no floating charge, the Prescribed Part does not apply in this instance.

## **8. Investigations**

- 8.1. In accordance with the Company Directors Disqualification Act 1986, the Joint Liquidators are required to investigate the affairs of the Company and the conduct of the Directors during the three years prior to the Liquidation. The Joint Liquidators can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service on 13 February 2020.
- 8.2. An initial investigation into the Company's affairs has also been undertaken by the Liquidators in accordance with Statement of Insolvency Practice 2. The purpose of these investigations is to establish whether there are any potential asset recoveries or conduct which requires further investigation.
- 8.3. Following this initial review, no further assets or actions were identified which would lead to a recovery for creditors. Therefore, no additional time in respect of investigations has been incurred in this period.
- 8.4. Should creditors have any information which they consider may assist the Liquidators in carrying out their investigations, or be aware of any matters which they believe should be brought to the attention of the Liquidators, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

## **9. Liquidators' Remuneration**

- 9.1. On 25 June 2020, a decision was made by the Creditors following a decision procedure by a decision by correspondence, enabling the Liquidators to draw remuneration by reference to the time properly spent by the Liquidators and their staff in dealing with the matters arising

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during the Liquidation, subject to the Fees Estimate of £17,056.50, issued to creditors on 4 June 2020.

- 9.2. Attached at Appendix E1 is a comparison of the Liquidators' Fees Estimate to actual time costs for the period from 14 November 2019 to 13 November 2020, which total £20,556.00, representing 111.3 hours at an average hourly rate of £184.69.
- 9.3. Attached at Appendix E2 is a narrative summary of the Liquidators' time costs, which provides further information on the work carried out during the current reporting period, why the work was necessary and whether the work has provided a financial benefit to creditors.
- 9.4. As at 13 November 2020, an amount of £8,000 has been drawn against the Liquidators' time costs in respect of the Liquidation with a further £1,808.51 to be drawn following final VAT reclaim to be processed by HMRC.
- 9.5. Based on the current level of time costs and expected future work for the completion of the Liquidation, it is expected that the Liquidators' total time costs will exceed the approved Fees Estimate of £17,056.50. However, at this stage, the Liquidators do not propose to seek approval for any amounts in excess of the Fees Estimate.
- 9.6. Details of the future work anticipated to be carried out by the Joint Liquidators includes:
  - Continuing to pursue the final VAT reclaim due from HMRC.
  - Seeking final tax clearance from HMRC prior to closure.
  - Review and confirm all matters relating to the Company's pension scheme have been complied with.
  - Preparing final report and issuing to all known members & creditors and notifying Companies House.
- 9.7. As indicated in the EOS attached at Appendix C, it is estimated that this future work will cost approximately £3,000, plus VAT.
- 9.8. Routine administration of the liquidation has been dealt with by junior staff wherever possible in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Joint Liquidators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the Joint Liquidators.
- 9.9. Charge out rates are reviewed annually on 1 September and, in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.
- 9.10. The charge out rates of the team members employed on the assignment during the period covered by this report and details of changes from previous periods are provided below. Specialist departments within our Firm (such as Tax and VAT) have charged time to this case when their expert advice is required. The rate ranges provided incorporate these different rates.

Range (£)	Partner	Director	Manager	Administrator	Cashier	Support Staff
Current charge out rate per hour, effective from 1 September 2020	605 - 455	495 - 350	385 - 250	255 - 165	215 - 110	155 - 110
Previous charge out rate per hour, effective from 14 November 2019 to 31 August 2020.	550 - 440	450 - 390	400 - 245	230 - 160	205 - 100	140 - 90

## 10. Liquidators' Disbursements

- 10.1. Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments directly to independent third parties) and Category 2 (costs incurred by the Joint Liquidators or the firm that can be allocated to the case on a proper and reasonable basis).
- 10.2. Category 2 disbursements require approval in the same manner as remuneration and creditors will recall that a resolution was passed on 25 June 2020 by creditors in agreement of the anticipated Category 2 disbursements of the Joint Liquidators.
- 10.3. Further details of the rates agreed are provided within the Rates and Disbursements policy which was provided to creditors on 4 June 2020 and which is available upon request.
- 10.4. Details of the disbursements incurred in the period and whether they constitute Category 1 or Category 2 disbursements, are provided below. Details of the disbursements paid during the period is provided within the attached Receipts and Payments Account.

Type of Disbursement	Description	Amount incurred in period (£)
<b><u>Category 1</u></b>		
Specific bond	It is a legal requirement that I take out a specific bond in respect of the value of the assets. On the basis the assets recovered were likely to total up to £25,000 the bond paid to JLT Specialty Limited was £24.76	24.76
Insurance	The assets of the Company are insured under the Insolvency Scheme with JLT Specialty Limited. The amount incurred in the period represents the premium for the period 14 November 2019 to 13 February 2020.	352.80
Statutory advertising	Costs are paid to Courts Advertising for statutory advertising requirements including London Gazette advertisements for resolutions and notice of the appointment.	174.96

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Postworks Costs	Costs associated with mailing via an independent third-party postprocessor.	24.84
Pension Advisors Fees	Clumber Consultancy Limited were instructed to advise in respect of the Company's pension scheme and employees.	175.00
<b>Total Category 1</b>		<b>752.36</b>
<b>Category 2</b>		
Mileage	No category 2 disbursements have been incurred during the period.	Nil
<b>Total Category 2</b>		<b>Nil</b>
<b>Total</b>		<b>752.36</b>

## 11. Expenses

- 11.1. Details of all expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at Appendix D. This also includes a comparison to the original Expense Estimate.
- 11.2. Further details of expenses paid during the period of the report are shown in the Receipts and Payments Account at Appendix B.
- 11.3. I have reviewed the expenses incurred to date and I am satisfied that they are reasonable in the circumstances of the case.

## 12. Matters outstanding

- 12.1. The following matters are preventing the conclusion of the liquidation:
- Continuing to pursue the final VAT reclaim due from HMRC
  - Seeking final tax clearance from HMRC prior to closure.
  - Review and confirm all matters relating to the Company's pension scheme have been complied with.
  - Preparing final report and issuing to all known members & creditors and notifying Companies House.

## 13. Creditors' Rights

### 13.1. Further information

- 13.1.1. I would advise you that, pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the Court, may, within 21 days of receipt of this progress report, ask the Liquidators for further information about the remuneration and expenses set out in this progress report.

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## 13.2. Apply to Court

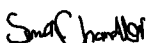
13.2.1. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the Court may, within 8 weeks of the receipt of this progress report, apply to the Court on one or more of the following grounds:

- a. That the remuneration charged by the Liquidators, or
  - b. That the basis fixed for the Liquidators' remuneration, or
  - c. That the expenses incurred by the Liquidators,
- is, in all of the circumstances, excessive or inappropriate.

## 13.3. Further guidance

13.3.1. In accordance with Statement of Insolvency Practice 9, creditors can find additional information on their rights relating to Liquidators' fees in a copy of the publication "A creditors guide to Liquidators' fees" which is available to download from the website: <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/> or, alternatively, will be provided free of charge upon written request to this office.

13.3.2. For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit <http://www.creditorinsolvencyguide.co.uk>.

  
Simon Chandler (Jan 8, 2021 14:46 GMT)

**S D Chandler**  
Joint Liquidator

**Dated 7 January 2021**

*Authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: [www.mazars.co.uk/Legal-and-privacy](http://www.mazars.co.uk/Legal-and-privacy).*

## Nicholas Smith Limited - In Liquidation

### Identification Details

#### Details relating to the Company

<b>Company name</b>	Nicholas Smith Limited
<b>Previous names</b>	N/A
<b>Trading name</b>	Nicholas Smith Limited
<b>Company number</b>	04682267
<b>Registered office</b>	c/o Mazars LLP, 45 Church St, Birmingham, B3 2RT
<b>Trading address</b>	1-11 Dudley Road, Brierley Hill, West Midlands, DY5 1HA

#### Details relating to the Liquidators

<b>Date of appointment</b>	14 November 2019
<b>Liquidators</b>	S D Chandler and S C Bevan of Mazars LLP, 45 Church Street, Birmingham, B3 2RT  IP Nos 008822 and 009614
<b>Liquidators' address</b>	Mazars LLP, 45 Church Street, Birmingham, B3 2RT
<b>Liquidators' contact telephone number</b>	0121 232 9500

Nicholas Smith Limited  
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 14/11/2019 To 13/11/2020 £	From 14/11/2019 To 13/11/2020 £
	<b>ASSET REALISATIONS</b>	
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317.06	317.06	317.06
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Uncertain	NIL	NIL
800.00	850.00	850.00
	<u>11,689.55</u>	<u>11,689.55</u>
	<b>COST OF REALISATIONS</b>	
	1,000.00	1,000.00
	8,000.00	8,000.00
	550.00	550.00
	331.04	331.04
	<u>(9,881.04)</u>	<u>(9,881.04)</u>
	<b>PREFERENTIAL CREDITORS</b>	
(1,866.80)	NIL	NIL
(1,511.38)	NIL	NIL
Uncertain	NIL	NIL
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(108.00)	NIL	NIL
(79.71)	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>	
(100.00)	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<u>(161,295.59)</u>	<u>1,808.51</u>	<u>1,808.51</u>
	<b>REPRESENTED BY</b>	
		32.31
		2,137.90
		(361.70)
		<u>1,808.51</u>

## ESTIMATED OUTCOME STATEMENT

Estimated Outcome Statement for Nicholas Smith Limited - In Liquidation as at 13 November 2020

<u>Assets</u>		SOA ETR	To-date	Future	Total
<b>Floating Charge Assets</b>					
Bank Interest		-	6.47	Nil	6.47
Book Debts		317.06	317.06	Nil	317.06
Business Rates Refund		-	299.30	Nil	299.30
Cash at Bank		3,604.65	4,800.05	Nil	4,800.05
Goodwill		Nil	Nil	Nil	0.00
Hire Stock		9,400.00	5,000.00	Nil	5,000.00
Motor Vehicles		400.00	416.67	Nil	416.67
Office Equipment, Fixture & Fittings		1,100.00	Nil	Nil	0.00
Overpayments		Uncertain	Nil	Nil	0.00
Retail Stock		800.00	850.00	Nil	850.00
			11,689.55	0.00	11,689.55
<b>Costs of Realisations</b>					
Liquidators' Pre Appointment Costs	*		7,500.00	Nil	7,500.00
Liquidators' Post Appointment Fees	*		20,556.00	3,000.00	23,556.00
Liquidators' Disbursements	*		752.36	50.00	802.36
Agents/Valuers Fees			1,000.00	Nil	1,000.00
Pension Agent Fees			550.00	Nil	550.00
Storage Costs			331.04	Nil	331.04
Corporation Tax			Nil	Nil	0.00
			30,689.40	3,050.00	33,739.40
<b>Amount available to preferential creditors</b>					<u>(22,050)</u>
<b>Preferential Creditors</b>					
Employees Wages and Holiday Pay					<u>(3,378)</u>
					(3,378)
<b>Estimated deficiency/surplus as regards preferential creditors</b>					<u>(25,428)</u>
<b>Debts secured by floating charges pre 15 September 2003</b>					Nil
<b>Estimated prescribed part of net property (c/f)</b>					0
<b>Estimated total assets available for floating charge holders</b>					<u>(25,428)</u>
<b>Assets secured by floating charges post 14 September 2003</b>					Nil
					0
<b>Estimated deficiency/surplus of assets after floating charges</b>					(25,428)
<b>Estimated prescribed part of net property (b/d)</b>					0



## ESTIMATED OUTCOME STATEMENT

<b>Amount available to unsecured creditors</b>	<u>(25,428)</u>
<b>Unsecured Creditors' claims</b>	
Consumer Creditors	(125)
Director's Loan Account	(108,334)
Employees; Notice & Redundancy	(58,232)
HMRC re PAYE & NI	(1,073)
HMRC re VAT	(5,488)
Landlord	(108)
Trade & Expense Creditors	<u>(811)</u>
	(174,171)
<b>Deficit to Unsecured Creditors</b>	(199,599)
<b>Return to unsecured creditors (p in the £)</b>	<u><u>Nil</u></u>

### Notes

\* These costs have been incurred to date, but not yet paid

## EXPENSES STATEMENT

Type of Expenditure	Who expense incurred by and nature of expense	<i>Original Expense Estimate</i>  (£)	Incurred in current period  (£)	Likely future expenses  (£)	Revised Expenses estimate  (£)
<b>Professional advisors' costs</b>					
The officeholder's choice of the professional advisors listed below was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.					
Agent's fees and disbursements	To provide an independent professional valuation of the assets. MGR Appraisals were instructed because of their experience in providing such valuations in an insolvency scenario. MGR Appraisals have confirmed their independence to this firm and also to the Company.	1,000.00	1,000.00	0.00	1,000.00
Pension Advisor's fees and disbursements	Clumber Consultancy Limited were instructed to advise in respect of the Company's pension scheme and employees. Clumber Consultancy Limited have confirmed their independence to this firm and also to the Company.	550.00	550.00	0.00	550.00
<b>Other expenses</b>					
Corporation tax	Corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.	3.00	0.00	0.00	0.00
Storage Costs	This amount represents the amount paid to L&R Storage Limited for uplift and storage of the Company's books and records, and the Liquidators working papers.	150.92	331.04	0.00	331.04

## EXPENSES STATEMENT

Type of Expenditure	Who expense incurred by and nature of expense	<i>Original Expense Estimate</i>  (£)	Incurring in current period  (£)	Likely future expenses  (£)	Revised Expenses estimate  (£)
Liquidators' pre-appointment costs	This amount represents the reasonable and necessary expenses in respect of the preparation of the Statement of Affairs and in respect of the deemed consent procedure to seek a decision from the company's creditors on the nomination of the liquidator, which have been drawn from the estate as an expense and as approved by creditors.	7,500.00	7,500.00 <i>incurred with Nil drawn.</i>	0.00	7,500.00 <i>incurred with Nil drawn.</i>
Joint Liquidators' remuneration	To project manage the orderly winding up of the Company's affairs, and to perform those tasks required as dictated by statute, best practice and ethical requirements.	17,056.50	20,556.00 <i>incurred with 8,000.00 drawn.</i>	3,000.00 to be incurred with £1,808.51 to be drawn.	23,556.00 to be incurred with 9,808.51 to be drawn.
Joint Liquidators' disbursements	Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. Further information on disbursements is provided within Section 10 of the report.	727.52	752.36 <i>incurred with Nil paid.</i>	50.00 to be incurred.	802.36 to be incurred with Nil paid.
<b>Total</b>		<b>26,987.94</b>	<b>30,689.40</b>	<b>3,050.00</b>	<b>33,739.40</b>

**LIQUIDATORS' ANALYSIS OF TIME COSTS  
AND COMPARISON TO FEES ESTIMATE**

The Liquidators' total Fees Estimate was £17,056.50 as approved by creditors on 25 June 2020

As detailed in Section 9 of the report, total costs incurred to date are £20,556.00

The following table provides details of the Liquidators' actual time costs incurred in the current reporting period, to, compared to the estimated costs as per the Fees Estimate.

Further information on the work undertaken in the current reporting period, including an explanation as to why the various tasks were required and whether the work provides a financial benefit to creditors is provided within the narrative summary of work undertaken by the Joint Liquidators at Appendix E2.

Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Disbursements policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

**LIQUIDATORS' ANALYSIS OF TIME COSTS  
AND COMPARISON TO FEES ESTIMATE**

Description of Work	Fees Estimate Approved on 25 June 2020			Actual time costs for the period 14 November 2019 to 13 November 2020		
	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)
Admin & Planning	5.6	922.60	164.75	6.1	1,068.50	175.16
Taxation	11.0	2,062.75	187.52	18.9	4,215.00	223.02
Investigations	14.1	2,427.50	172.16	14.1	2,427.50	172.16
Realisation of Assets	8.0	1,478.00	184.75	8.0	1,478.00	184.75
Employees	11.9	1,937.77	162.84	11.4	1,855.50	162.76
Creditors	3.0	494.25	164.75	5.1	1,160.00	227.45
Reporting	11.4	2,113.50	185.39	12.6	2,310.00	183.33
Cashiering	12.6	2,228.63	176.88	14.2	2,451.50	172.64
Statutory compliance	19.4	3,391.50	174.82	20.9	3,590.00	171.77
<b>Totals</b>	<b>97.0</b>	<b>17,056.50</b>	<b>175.84</b>	<b>111.3</b>	<b>20,556.00</b>	<b>184.69</b>

**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT LIQUIDATORS' FOR  
THE PERIOD 14 NOVEMBER 2019 TO 13 NOVEMBER 2020**

<p><b>Introduction</b></p> <p>The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors.</p> <p>This summary should be read together with the Joint Liquidators' Time Costs Analysis at Appendix E1. The costs incurred in relation to each category are set out in the attached Time Cost Analysis.</p>
<p><b>Work carried out in the current period</b></p> <p><b><u>Administration and planning</u></b></p> <p>The Liquidators have undertaken the following work:</p> <ul style="list-style-type: none"> <li>• Case acceptance and ethical reviews.</li> <li>• Completing case strategy notes.</li> <li>• Holding strategy meetings.</li> <li>• Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.</li> </ul> <p>The following work remains ongoing:</p> <ul style="list-style-type: none"> <li>• Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.</li> <li>• Filing</li> <li>• Achieving Liquidators' working papers.</li> </ul> <p>The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.</p>
<p><b><u>Taxation</u></b></p> <p>The following activities were undertaken in order to ensure the Company is compliant with tax requirements:</p> <ul style="list-style-type: none"> <li>• Notifying HM Revenue &amp; Customs ("HMRC") of my appointment and establishing whether they have any outstanding claims or ongoing investigations. Such enquires will assist with my own investigations.</li> <li>• Reviewing the Company's VAT position; deregistering the Company for VAT once all of the taxable assets have been sold in line with the VAT regulations.</li> <li>• Preparing post - Liquidation Corporation Tax and VAT returns, and clearance package as required by statute.</li> </ul> <p>Work still to be undertaken includes:</p> <ul style="list-style-type: none"> <li>• Liaising with HMRC for final VAT repayment.</li> <li>• Obtaining clearance from HMRC.</li> </ul> <p>The majority of this work derived no financial benefit for creditors; however, it is required in accordance with tax legislation.</p>
<p><b><u>Investigations</u></b></p> <p>Further details of the investigation required to be carried out is provided within Section 8 of the report. A summary of the work undertaken to date is as follows:</p> <ul style="list-style-type: none"> <li>• Issuing and review of Director's questionnaires and investigation into any matters notified.</li> <li>• Investigating the Company's affairs to include a review of the Company's books and records and in particular, the bank statements to identify any potential transactions that were outside the ordinary course of business.</li> <li>• Correspondence with Directors regarding the reasons for the Company's failure.</li> </ul>

**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT LIQUIDATORS' FOR  
THE PERIOD 14 NOVEMBER 2019 TO 13 NOVEMBER 2020**

- Review of creditor questionnaires and investigation into any matters notified.
- Reporting to the Insolvency Service on the Directors' conduct.

All investigative work has been concluded in this period, and no investigation remains on going.

It is not anticipated that any further costs will be incurred in this regard.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure compliance with statutory duties.

**Realisation of Assets**

The work undertaken in respect of the realisation of the Company's assets is detailed in Section 3 of the report.

The main assets comprise of Goodwill; Book debts; tangible assets including Stock, Office Furniture and Motor vehicles; Cash at bank; and Business Rates Refund.

- Obtaining a professional valuation of the Company's assets to ensure the most appropriate offer is accepted and liaising with the agents in respect of their views as to the offers received.
- Negotiations with interested parties and agreeing sale of assets.
- Arranging insurance cover over assets and ensuring their security.
- Reviewing and obtaining any potential refunds on insurance policies paid up to a future period by the Company.
- Obtaining business rates refund for period prior to liquidation.
- Reviewing and verifying the extent of collectable overpayments.
- Book Debts
  - Liaising with outstanding customer to verifying the extent of collectable debt.
  - Liaising with Directors regarding initial debt dispute and requesting further information/details to continue pursuit of debtor ledger.
  - Obtaining payment from debtor.

No future work is expected to be incurred in relation to realising assets.

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances.

**Employees**

Company employed 10 employees who were all made redundant prior to our appointment.

Work undertaken in order to ensure that employee claims have been dealt with appropriately includes:

- Writing to employees and dealing with any queries they may have in respect of their claims.
- Establishing any amounts owed to employees/ Liaising with external payroll providers.
- Liaising with the Redundancy Payments Service and submitting forms RP14, RP14a in relation to the employee's claims.
- Notifying Pensions Regulator, Pension Protection Fund and Trustee regarding occupational pension scheme.
- Assigning Clumber to review outstanding pension matters.
- Investigating potential claims in respect of unpaid pension contributions.

Work still to be undertaken includes:

- Issuing final notification to Pensions Regulator, Pension Protection Fund and Trustee advising of closure of Liquidation.
- Receive confirmation from trustee that liquidator can obtain his release.

**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT LIQUIDATORS' FOR  
THE PERIOD 14 NOVEMBER 2019 TO 13 NOVEMBER 2020**

<p>The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors.</p>
<p><b>Creditors</b></p> <p>It is estimated that there are likely to be in the region of 18 unsecured creditor claims, in accordance with the Director's Statement of Affairs. In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:</p> <ul style="list-style-type: none"> <li>• Responding to any queries which arose.</li> <li>• Logging creditor claims.</li> <li>• Seeking approval from creditors in respect of a decision procedure or deemed consent procedure when appropriate and preparing a record of the decision.</li> </ul> <p>The remaining work outstanding is as follows:</p> <ul style="list-style-type: none"> <li>• Responding to any queries which arise.</li> </ul> <p>The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors.</p>
<p><b>Reporting</b></p> <p>Reporting requirements during the period as prescribed by statute have included the following:</p> <ul style="list-style-type: none"> <li>• Report to creditors in respect of obtaining a fee resolution.</li> </ul> <p>The work that remains outstanding, is as follows:</p> <ul style="list-style-type: none"> <li>• Annual progress reports are required to be issued in accordance with The Insolvency Act and Rules to provide creditors with an update on the progress of the Liquidation.</li> <li>• Drafting and issuing a final report to all known members and creditors.</li> <li>• Issuing final account to Companies House.</li> </ul> <p>The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.</p>
<p><b>Cashiering</b></p> <p>Cashiering work undertaken includes:</p> <ul style="list-style-type: none"> <li>• Establishing set up of case details on our insolvency software system.</li> <li>• Setting up bank accounts, including deposit accounts as necessary.</li> <li>• Bank account maintenance, including periodic reconciliations.</li> <li>• Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.</li> </ul> <p>Work that remains ongoing is as follows:</p> <ul style="list-style-type: none"> <li>• Bank account maintenance, including periodic reconciliations.</li> <li>• Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.</li> </ul> <p>The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.</p>
<p><b>Statutory and Compliance</b></p> <p>The work undertaken as required by statute and our internal procedures involves:</p> <ul style="list-style-type: none"> <li>• Preparation and lodgement of statutory appointment documents.</li> <li>• Initial notices and advertisements following appointment.</li> <li>• Case monitoring and statutory compliance, including internal case reviews.</li> <li>• Case bordereau.</li> </ul> <p>Work that remains ongoing is as follows:</p> <ul style="list-style-type: none"> <li>• Case monitoring and statutory compliance, including internal case reviews.</li> </ul>



**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT LIQUIDATORS' FOR  
THE PERIOD 14 NOVEMBER 2019 TO 13 NOVEMBER 2020**

The majority of this work derived no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.