

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 0 4 9 8 7 2 7 1

Company name in full Cimarron UK Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Deborah

Surname Cockerton

3 Liquidator's address

Building name/number 18

Street Clarence Road

Post town Southend-on-Sea

County/Region Essex

Postcode S S 1 1 A N

Country United Kingdom

4 Liquidator's name

Full forename(s)

Surname

Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

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6 Period of progress report

From date	1	2	0	4	2	0	2	2
To date	1	1	0	4	2	0	2	3

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

D.A. Gaudin

X

Signature date

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^m0^m6

^y2^y0^y2^y3

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.

Deborah Ann Cockerton

DCA Business Recovery

18 Clarence Road

Southend-on-Sea

Essex

Postcode

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N

United Kingdom

DX

01702 344558



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

**LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS FOR THE YEAR ENDING
11/04/2023**

Cimarron UK Limited
("the Company")

EXECUTIVE SUMMARY

Since my appointment as Liquidator, I have transferred the funds held in the pre liquidation account to the estate account, paid a dividend to preferential creditors, made enquiries into the debtor and investigated a loan made to a former employee.

After taking into account asset realisations, together with fees and expenses incurred to date, together with estimated future realisations, fees and expenses, I think that it is likely that I will be able to pay both preferential and secondary preferential creditors and make a small distribution to non-preferential unsecured creditors.

STATUTORY INFORMATION

Company name:	Cimarron UK Limited
Registration number:	04987271
Principle trading address:	Park Lane Business Centre, Park Lane, Langham, Colchester CO4 5WR
Registered office:	18 Clarence Road, Southend-on-Sea, Essex, SS1 1AN, United Kingdom
Former registered office:	Lodge Park Lodge Lane, Langham, Colchester, Essex, CO4 5NE
Principle trading activity:	Temporary employment agency activities
Liquidator's name:	Deborah Ann Cockerton
Liquidator's address:	18 Clarence Road, Southend-on-Sea, Essex, SS1 1AN, United Kingdom
Liquidator's contact details:	<u>keelyedwards@dcabr.co.uk</u> 01702344558
Date of appointment:	12/04/2022

LIQUIDATOR'S ACTIONS SINCE THE APPOINTMENT OF THE LIQUIDATOR

Since my appointment as Liquidator, I have taken the following actions:

- Corresponded with the directors regarding the books and records of the company.
- Reviewed the books and records received and schedules those records.
- Corresponded with the company bank provider to obtain periodic statements and a closing statement for the account.
- Instructed a solicitor in respect of a loan made by the company to an employee whilst the Company was insolvent. Correspondence was entered into between the solicitors and the Directors and following this it was concluded that no further action should be taken, after taking into account the background and circumstances of the loan.
- Instructed an employment specialist to assist with the company pension scheme.
- Paid the Redundancy Payments Service in respect of their preferential claim.
- Instructed employment specialists to assist with employee's residual preferential claim.

- Paid employees their residual preferential claim.
- Paid HMRC tax and NI on the employees' residual preferential claims.
- Issued a fee approval report and received fee approval.

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since the appointment of the Liquidator is contained in Appendix no.1.

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 12/04/2022 to 11/04/2023 is attached at Appendix No.3. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain.

The balance of funds is held in an interest-bearing estate bank account.

ASSETS

Book Debts

It was understood that £3,420 was owed to the Company by way of an outstanding book debt and the full balance was expected to be received by the Company prior to the date of liquidation.

The debtor has advised that they paid, however we do not hold bank accounts for the account that they have referenced, and we are still making enquiries into this debt.

The sum of £10,000 was also due from Craig Haden, an employee, in respect of funds loaned to him during 2020. I instructed a solicitor in respect of this loan and correspondence was entered into between the solicitors and the Directors. Following this advice it was concluded that no further action should be taken, after considering the background and circumstances of the loan. No fees were charged by the solicitor for this work.

Cash at Bank

The sum of £90,000 was held in a clients' account controlled by DCA Business Recovery prior to the date of liquidation. These funds represented the collection of book debts by the Director prior to liquidation and the funds have been transferred to the estate account.

Other Assets

There have been no other asset realisations other than bank interest of £238.63.

PRE-APPOINTMENT FEES

The Board previously authorised the payment of a fee of £5,000 plus VAT for my assistance with preparing the statement of affairs and arranging the deemed consent procedure for creditors to appoint a liquidator.

The fee for preparing the statement of affairs and arranging the deemed consent procedure for creditors to appoint a liquidator was paid by the Company.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I am required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation.

Specifically, I recovered, listed and reviewed the company's accounting records; obtained and reviewed copy bank statements for the 12 months prior to the company ceasing to trade from the company's bankers; and compared the information in the company's last set of accounts with that contained in the statement of affairs lodged in the Liquidation and made enquiries about the reasons for the changes.

I identified a matter where I considered that further investigation was required as it could lead to identifying potential recovery actions for the benefit of creditors. This matter was a loan to an employee of £10,000.

In respect of this matter, I consulted with a solicitor and the advice received was to not pursue the action as it was unlikely to achieve a result for creditors and would incur legal costs.

Finally, within three months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the company. I would confirm that my report has been submitted.

LIQUIDATOR'S REMUNERATION

My remuneration was approved by the creditors on 08/03/2023 on a mixture of a time cost basis and a fixed fee and percentage of realisations and distributions.

I was authorised to draw time costs for my work in respect of creditors. This approval was based on my fees estimate of £8,770. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs for such work to 11/04/2023 amount to £4,460, representing 18 hours of work at a blended charge out rate of £247.77 per hour. The blended average charge out rate incurred is slightly higher than the estimated blended charge out rate of £194.89 in my fees estimate. This is due to some tasks having to be undertaken by myself as Liquidator, rather than support staff.

I have drawn £4,565 to 11/04/2023 in respect of work done for which my fees were approved on a time cost basis. This fee exceeds the time spent due to pre appointment time incorrectly being invoiced. This will be refunded imminently.

I was also authorised to draw a fixed fee of £14,000 for my work in respect of Administration and Investigations.

I have drawn £14,000 to 11/04/2023 in respect of work done for which my fees were approved as a fixed fee.

I was also authorised to draw 15% of realisations for my work in respect of the realisation of book debts. Based on realisations I achieved I am entitled to remuneration of nil.

I have not been able to draw any remuneration in respect of work done for which my fees were approved as a % of realisations as no debtors have been realised.

Finally, I was also authorised to draw 10% of distributions made for my work agreeing creditors' claims and making the distribution to creditors. Based on the distributions I have made to creditors I am entitled to remuneration of nil.

I have not drawn any remuneration in respect of work done for which my fees were approved as a % of distributions made in this period.

A detailed schedule of my time costs incurred to date compared with my original fees estimate is attached as Appendix 4.

Based on current information I do not expect my total time costs to exceed my estimated remuneration I set out in my fees estimate when my remuneration was authorised by the creditors.

I sub-contracted some of the work I am required to undertake as office holder, namely pension obligations and the calculation of the employees' residual preferential claims. I sub-contracted this work because the sub-contractor is a specialist at such work. This work was sub-contracted to an unconnected third-party organisation, and they have charged £500 plus VAT to date for the work. This amount has been paid in full. My choice of sub-contractors was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also confirmed that they hold appropriate regulatory authorisations. I consider that the amount they have charged for their work has ensured that the best value and service was provided to creditors.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <https://www.dcabr.co.uk/business-advice/guides>. There are different versions of these Guidance Notes, and in this case please refer to the most recent version. Please note that we have also provided further information about an office holder's remuneration and expenses in our practice fee recovery sheet, which is enclosed at Appendix no.5.

LIQUIDATOR'S EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

Category 1 expenses

I have incurred the following category 1 expenses in the Liquidation:

Nature of category 1 expense	Amount incurred/ accrued in reporting period	Amount unpaid
Insolvency Bond	£500.00	£0.00
Advertising	£151.04	£0.00
Postage	£81.34	£0.00
Employment Specialists	£500.00	£0.00
Case Management Software Fee	£110.00	£0.00
Total	£1,342.38	£0.00

I have paid category 1 expenses of £1,342.38 to date, as indicated in the attached receipts and payments account.

I have used the following professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
IPERA	Employment specialists	Fixed fee
Barker Gotelee	Solicitor	No fee

In the Liquidation the professional advisers have calculated the residual preferential claims of employees, corresponded with HMRC, opened a PAYE portal with HMRC and assisted with the pension obligations. The solicitors assisted with the enquiries into the loan made to an employee but no fees were charged.

My choice of professional advisors was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also confirmed that they hold appropriate regulatory authorisations. I have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case and represents value for money.

LIABILITIES

Secured Creditors

An examination of the company's mortgage register held by the Registrar of Companies, showed that the company has granted the following charges:

- Advantedge Commercial Finance Limited (now E-Capital), fixed and floating charge created on 27.11.2019,

Preferential Creditors

The statement of affairs anticipated £26,350 in respect of ordinary preferential creditors relating to employee claims, and £69.25 in respect of secondary preferential creditors relating to HMRC's claim. A claim for £11,329.17 was received from The Insolvency Service for the employees and £15,303.24 was received from employees in respect of their residual preferential claims have been received, but no claim has been received from HMRC in respect of their secondary preferential claim.

Crown Creditors

The statement of affairs included £3,761.50 owed to HMRC in respect of their non-preferential claim. No claim has been received from HMRC.

Non-preferential unsecured Creditors

The statement of affairs included 14 non-preferential unsecured creditors with an estimated total liability of £86,250.22. I have received claims from 3 creditors at a total of £47,012.70. I have not received claims from 11 creditors with original estimated claims in the statement of affairs of £39,119.30.

Employees unsecured claims of £55,961 were also included in the statement of affairs and I have received a claim of £38,178.30 from The Insolvency Service in respect of these unsecured claims.

DIVIDEND PROSPECTS

Secured Creditors

I have not received a claim from Advantedge Commercial Finance Limited (now E-Capital) and no claim is expected. Should a claim be received then the prescribed part provisions will apply.

Preferential Creditors

I have paid £26,632.41 to preferential creditors, which is 100p in the pound.

I am waiting for a proof of debt from HMRC in respect of their secondary preferential claim, which I believe will be paid in full based on current figures.

Non-preferential unsecured Creditors

Once I have received the secondary preferential claim from HMRC I will be in a position to pay a dividend to non-preferential unsecured creditors, however I am unable to comment on the timing and quantum of the dividend to be paid.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidator's remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.


An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about DCA Business Recovery can be found in the attached summary sheet.

SUMMARY

The Liquidation will remain open until the debtor and the secondary preferential claim has been fully resolved. I estimate that this will take approximately 6 months and once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Keely Edwards on 01702 344558, or by email at keelyedwards@dcabr.co.uk.



DEBORAH ANN COCKERTON MABRP FIPA
LIQUIDATOR

Appendix no.1 Details of Work undertaken to date

Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their manager. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that an office holder must follow.

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to staff to undertake the work on the case.

Setting up physical/electronic case files.

Setting up the case on the practice's electronic case management system and entering data.

Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.

Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder must obtain for each insolvency appointment).

Convening a decision procedure to seek a decision from creditors to approve the basis of remuneration.

Supervising the work of advisors instructed on the case to assist in dealing with pension schemes; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.

Dealing with all routine correspondence and emails relating to the case.

Opening, maintaining and managing the estate bank account.

Creating, maintaining and managing a cashbook.

Undertaking regular bank reconciliations of the estate bank account.

Reviewing the adequacy of the specific penalty bond on a quarterly basis.

Undertaking periodic reviews of the progress of the case.

Overseeing and controlling the work done on the case by case administrators.

Preparing, reviewing and issuing annual progress reports to creditors and members.

Filing returns at Companies House.

Preparing and filing VAT returns.

Preparing and filing Corporation Tax returns.

Realisation of assets:

This represents the work involved in the protection and realisation of assets, which is undertaken directly for the benefit of creditors.

Corresponding with debtors and attempting to collect outstanding book debts.

Liaising with the bank regarding the closure of the account.

Instructing solicitors to assist in the realisation of assets.

Creditors

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of their statutory functions

Employees - The office holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Service. The office holder is required to undertake this work as part of their statutory functions.

Dividends - the office holder has to undertake certain statutory formalities in order to enable them to pay a dividend to creditors. This includes writing to all creditors who have not lodged proofs of debt and

reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors. This work is primarily undertaken for the benefit of creditors, but it also includes work that the office holder is required to undertake as part of their statutory functions.

Obtaining information from the case records about employee claims.

Completing documentation for submission to the Redundancy Payments Service.

Corresponding with employees regarding their claims.

Supervising the work of advisors instructed on the case to assist in dealing with employee claims; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.

Liaising with the Redundancy Payments Service regarding employee claims.

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.

Maintaining up to date creditor information on the case management system.

Calculating and paying a dividend to preferential creditors, and issuing the notice of declaration of dividend.

Paying tax deducted from the dividends paid to employees.

Investigations:

The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure, and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors.

Recovering the books and records for the case.

Listing the books and records recovered.

Submitting an online return on the conduct of the Directors as required by the Company Directors Disqualification Act.

Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.

Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.

Appendix no.2 Details of Work still to be undertaken

Administration

Dealing with all routine correspondence and emails relating to the case.
Maintaining and managing the estate bank account.
Maintaining and managing a cashbook.
Undertaking regular bank reconciliations of the estate bank account.
Reviewing the adequacy of the specific penalty bond on a quarterly basis.
Undertaking periodic reviews of the progress of the case.
Overseeing and controlling the work done on the case by case administrators.
Preparing, reviewing and issuing annual progress reports to creditors and members.
Filing returns at Companies House.
Preparing and filing VAT returns.
Preparing and filing Corporation Tax returns.

Realisation of Assets

Corresponding with debtors and attempting to collect outstanding book debts.

Creditors

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
Maintaining up to date creditor information on the case management system.
Issuing a notice of intended dividend and placing an appropriate gazette notice.
Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.

Appendix 4

Analysis of Liquidator's Time Costs

In accordance with the Statement of Insolvency Practice No.9, creditors are advised that:-

1. The basis of the fees to be taken by the Liquidator was approved by the Creditors on 08/03/2023.
2. It was resolved that such fees incurred in relation to Creditors be paid on a time cost basis capped at £8,770. This firm's standard insolvency rates with effect from 15 October 2015 are as stated below. For periods prior to this date lower rates will have applied. All rates are exclusive of valued added tax.

GRADE	Hourly rate from 15 Oct 2015 £
Partner	350
Senior Manager	275
Manager	250
Senior Administrator (Grade 1)	225
Senior Administrator (Grade 2)	-
Case Administrator (Grade 1)	175
Administrator (Grade 2)	-
Administrator (Grade 3)	-
Cashier	150
Support Staff	130

3. The total hours expended by the Liquidator and all staff involved with the case during the period 12/04/2022 to 11/04/2023 is 18 hours. The Liquidator has ensured that during each period the appropriate member of staff has undertaken the different tasks involved taking into account the complexity of the task and the qualifications and experience of the person involved.
4. The charge out value of the period 12/04/2022 to 11/04/2023 is £4,460 plus VAT, an average of £247.77 plus VAT per hour for this period.

The Liquidator has been paid the sum of £4,460 plus VAT on account of time costs incurred during this period. This equates to an average of £247.77 plus VAT per hour for this period.

5. A general analysis of the time incurred during the period 12/04/2022 to 11/04/2023 confirms that work has been undertaken in the following areas:-

HOURS						Time Costs Incurred	Average Hourly Rate
Classification of Work	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Creditors	3.4		14.3	0.3	18.00	£4,460.00	£247.77
Total	3.4		14.3	0.3	18.00	£4,460.00	£247.77

Re: CIMARRON UK LIMITED
CREDITORS VOLUNTARY LIQUIDATION

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT
FOR THE PERIOD 12/04/2022 TO 11/04/2023

Estimated Realisations per SOA		Period 12/04/2022 to 11/04/2023
	Receipts	
13,420.00	Book Debts	0.00
90,392.00	Cash at Bank	90,000.00
-	Gross Bank Interest	238.63
103,812.00		90,238.63
	Payments	
	Insolvency Bond	500.00
	Statutory Advertising	151.04
	Employment Specialists	500.00
	Postage	81.34
	Case Management Software Fee	110.00
	Liquidator's Fees	18,565.00
	Recoverable VAT	3,768.24
	Distribution to Preferential Creditors (100p in £1)	26,632.41
	Tax on Employees Dividends	12,315.27
		62,623.30
	Balance at Bank	27,615.33

Notes: Figures shown are net of VAT. Balance at bank is held in an interest bearing account with Lloyds Bank Plc.