

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

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

1 Company details

Company number 0 7 8 8 9 5 8 3

Company name in full Earl's And Co Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Simon

Surname Thornton

3 Liquidator's address

Building name/number 3 The Courtyard

Street Woodlands

Post town Bradley Stoke

County/Region Bristol

Postcode B S 3 2 4 N Q

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 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d1

^d7

^m0

^m4

^y2

^y0

^y2

^y3

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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 **Jenny Wright**

Company name **HS Business Recovery Ltd.**

Address **3 The Courtyard**

Woodlands

Post town **Bradley Stoke**

County/Region **Bristol**

Postcode **B S 3 2 4 N Q**

Country

DX

Telephone **0117 970 9220**



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

Earl's And Co Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
From 31 March 2021 To 13 April 2023

Statement of Affairs £		£	£
	ASSET REALISATIONS		
11,134.00	Cash held in HSBR Client Account	11,134.00	
Uncertain	Rent Deposit	NIL	
	Bank Interest Gross	0.39	
			11,134.39
	COST OF REALISATIONS		
	Specific Bond	96.00	
	Convening Fee	6,000.00	
	Liquidator's Fees	4,536.69	
	Agents/Valuers Fees (1)	501.70	
			(11,134.39)
	PREFERENTIAL CREDITORS		
(3,487.00)	Employee -Arrears of Wages & Hol Pa	NIL	
			NIL
	SECONDARY PREFERENTIAL CREDITORS		
(17,932.00)	HM Revenue & Customs	NIL	
			NIL
	UNSECURED CREDITORS		
(27,782.00)	Trade & Expense Creditors	NIL	
(8,296.00)	Employees - Pay in Lieu & Redundanc	NIL	
(50,695.00)	HSBC Bank plc	NIL	
(2,787.00)	HM Revenue & Customs	NIL	
(32,192.00)	Consumer Creditors- Gift Vouchers	NIL	
			NIL
	DISTRIBUTIONS		
(85,100.00)	Ordinary Shareholders	NIL	
			NIL
(217,137.00)			(0.00)
	REPRESENTED BY		
			NIL



 Simon Thornton
 Liquidator



EARL'S AND CO LIMITED

FINAL ACCOUNT TO MEMBERS & CREDITORS

Pursuant to Rule 6.28 of the Insolvency (England & Wales) Rules 2016 (as amended) and Section 106 of the Insolvency Act 1986 (as amended)

16 February 2023

Legislation

Unless otherwise stated references to sections, paragraphs or rules are to the Insolvency Act 1986 (as amended) and the Insolvency (England & Wales) Rules 2016 (as amended).

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Abbreviations

For the purpose of this report the following abbreviations shall be used;

“the Act”	Insolvency Act 1986 (as amended)
“the Rules”	Insolvency (England & Wales) Rules 2016 (as amended)
“the Liquidator”	Simon Harvey Thornton of HS Business Recovery Ltd.
“the Company”	Earl's And Co Limited
“HSBR”	HS Business Recovery Ltd.
“SIP 2”	Statement of Insolvency Practice 2 (England & Wales)
“SIP 13”	Statement of Insolvency Practice 13 (England & Wales)

Electronic Communication with Members and Creditors

As explained in my earlier communications, all statutory notices or reports will be available to view or download from ‘www.ips-docs.com’ until two months after the end of the Liquidation or the release of the Liquidator.

EARL'S AND CO **LIMITED** - IN LIQUIDATION

I refer to my appointment as Liquidator of the above company on 31 March 2021.

I am now in a position to conclude my administration of this matter.

I have set out below my report on the Liquidation and attach a summary of my Receipts and Payments Account which covers the whole period of my administration of the case, together with details of transactions which occurred during the period of this report, 1 April 2022 to 18 May 2022.

1 Asset Realisations

1.1 Leasehold Premises- 19 Regent Street, Cheltenham

The company signed a 14-year lease on 15 June 2012 in respect of the salon trading premises in Cheltenham.

As a result of the forced closure of all close contact service businesses due to the coronavirus pandemic the Landlord agreed to waive the rent due for the quarter June-August 2020 in the sum of £6,625 and the rental quarter dates were revised to September-30 November 2020 and 1 December 2020 - 28 February 2021 and so on.

The Director confirmed that the company did not pay the last two quarters' rent and was £13,250 in arrears at cessation of trade. As there was no premium in the lease when it was signed in 2012 and with only five years' left to run and significant rent arrears, it was determined that there was no value in the lease for the benefit of the liquidation estate.

As Liquidator I formally disclaimed the lease on my appointment and the director returned the keys to the Landlord's Agent.

The Landlord has submitted a claim in the liquidation for £30,141.93. *See 1.5 below.*

1.2 Furniture & Salon Equipment

The company owned sundry furniture and salon equipment which had been formally valued by Willett Tippet & Co, who considered them to have a combined ex-situ value of £750.

These were sold for £945 plus VAT on 21 December 2020 with the proceeds of sale remitted to my firm's client account. See below.

1.3 Motor Vehicle- Ford Transit van

The company had use of a Ford Transit van which was subject to a 3-year Contract Hire Agreement held in the personal name of the director Jessica Earl. This was not a company asset.

1.4 Cash held in HSBR Client Account

The sum of £11,134 was held in my firm's client account at the date of liquidation. This included the monies realised for the furniture & salon equipment referred to above and a cash at bank balance transferred by the director. From these monies the sum of £6,000 plus VAT was drawn in respect of my firm's fee and disbursements for placing the company into liquidation, as agreed by the company director prior to my appointment. The balance was transferred to the liquidation account following my appointment.

1.5 Rent Deposit

As stated above, the company had a 14 - year lease in respect of the trading premises at 19 Regent Street, Cheltenham. The landlord held a rent deposit of £13,250. These monies were offset against the last two quarters' outstanding rent.

As advised above, I formally disclaimed the lease on my appointment and the director returned the keys to the Landlord's Agent.

Solicitors for the Landlord advised that there had been some unconsented alterations which would form part of the dilapidations claim against the tenant. In addition, some items were abandoned upon the company vacating the premises requiring the Landlord to clear and reinstate the property in order that it could be re-let.

The Landlord has submitted a claim in the liquidation comprising unpaid rent arrears, interest on unpaid rent arrears, service costs, dilapidations estimated at £20,000 and professional fees claiming the total sum of £30,141.93.

1.6 Bank Interest

Bank interest of 39 pence was received on the funds held in my client account pre liquidation that were later transferred to the liquidation account.

No bank interest has been received on the Liquidation account between 31 March 2021 and 18 May 2022.

Informal £Nil corporation tax returns have been submitted to HM Revenue & Customs.

1.7 Statement of Insolvency Practice 13

In accordance with SIP 13, I can advise that no connected party transactions have taken place since my appointment as Liquidator.

I can however advise that the Director purchased furniture, equipment and an Apple mac from the company on 21 December 2020, the date of cessation of trade. The director paid the sum of £945 plus VAT for these items which was in line with the independent valuation provided by Willett Tippet & Co. Payment for the assets was transferred to my client account prior to liquidation and was included in the cash in hand figure reflected on the Statement of Affairs and referred to above.

I have reviewed the transaction and believe the assets to have been sold at fair value.

Other assets were abandoned in the premises as they were deemed uneconomical to realise.

I can further advise that during a review of the company's books and records under the guidance given in SIP 2, I have not become aware of any transactions with connected parties during the period of two years prior to insolvency that required further investigation.

2 Costs of Realisation

2.1 Convening Fee

The directors agreed that the company would pay a fee of £6,000, plus disbursements and VAT, for the work undertaken by H. S. Business Recovery Ltd. in assisting with preparation of the Statement of Affairs and placing the company into liquidation.

This fee has been paid in full.

2.2 Liquidator's Remuneration

It was agreed by creditors on the decision date of 20 May 2021 that my remuneration be based on time costs and that remuneration may be drawn up to the fees estimate provided without further recourse to creditors. It was estimated that my fees would total £7,468 as detailed in the fees estimate dated 27 April 2021.

I have incurred time costs of £16,525.50 between 31 March 2021 and 16 February 2023 representing 112.25 hours at an average rate of £147.22 per hour. A summary of time spent, and charge-out value is attached for your information.

I have drawn fees amounting to £4,536.69 on account of my time costs incurred. £896.69 of this amount has been drawn during the period of this report.

The work has been categorised into the following work functions;

Case Administration & Planning includes appointment and closing formalities, case set up, planning and case strategy, maintenance of the case files and recording in the statutory case record, reviews & compliance, VAT and taxation matters, cashiering and accounting.

Reporting includes the drafting and issuing of statutory and non-statutory reports to creditors and Companies House.

Enquiries & Investigation includes collection and review of the books and records of the company and any information supplied by creditors of the company in relation to the trading affairs of the company and the conduct of the directors. Submission of the appropriate report to the Insolvency Service. Obtaining other information from stakeholders and following up any matters highlighted as part of the investigations that may lead to a recovery for the benefit of the Liquidation. Protracted communications were entered into with HM Revenue & Customs which prevented earlier closure of the case. They have now provided clearance to close.

Realisation of Assets includes identifying, insuring (as appropriate) securing and realising assets. As detailed above and in previous reports, the assets of the company comprised cash held in my firm's client account (which included the proceeds of sale for the company's furniture & salon equipment) and the rent deposit held by the Landlord which has since proven irrecoverable.

Trading includes all matters relating to the trading of the business following Liquidation (where applicable). The company had ceased trading and no time has been charged under this sub-heading.

Creditors includes set up of creditor records, creditor communications, agreement of claims (should sufficient funds be realised for distribution) and any subsequent distribution. These have been greater than usual given the consumer creditors which included clients holding unused gift vouchers and booking deposits for unfulfilled treatments many of these being cancelled as a result of the forced lockdown restrictions on the salon due to the coronavirus pandemic. These consumer creditors were all issued with Notice of the deemed consent procedure together with Notice of my appointment by email as these were the only contact details held. I have had to deal with a number of email and telephone enquiries specifically from gift voucher creditors as they were not generally as familiar with the insolvency process and what it entails.

Employees and Other Prefs. includes communications with employees who have claims for arrears of wages and accrued holiday pay and unpaid contributions to some pension schemes and assisting employees with claims to the Redundancy Payments Office. Reviewing and agreeing all claims received should sufficient funds be realised for distribution. These were further complicated with the introduction of the furlough payments, forced lockdowns of the business and significant time liaising with one employee to obtain her statutory maternity pay (SMP) via HM Revenue & Customs rather than the Redundancy Payments Office as a result of the liquidation.

Shareholders includes any specific communications that are undertaken with shareholders.

Case Specific Matters (where applicable). These have been all been covered under the separate subheadings above.

“A Creditor’s Guide to Liquidators’ Fees” is available to view or download via the following link:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

Please note that the relevant fee guide is determined by the date of my appointment as Liquidator.

In accordance with Rule 18.9, within 21 days of receipt of this report, a request may be made for further information regarding the remuneration detailed in this report from any;

- (a) secured creditor or;
- (b) unsecured creditor with concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) or;
- (c) unsecured creditor with permission of the Court upon an application being made;

Any request must be made in writing. A response to this request will be made within 14 days of receipt.

In accordance with Rule 18.34 any secured creditor; or unsecured creditor of the company with concurrence of at least 10% in value of the creditors (including the creditor in question), or with the permission of the Court; may apply to Court to challenge the remuneration charged by the Liquidator on the grounds that it is, in all the circumstances, excessive; and/or to challenge the basis fixed for the Liquidators remuneration on the grounds that it is inappropriate and/or that expenses that have been charged by the Liquidator on the grounds that they are, in all circumstances, excessive.

Creditors should note that under the Rule 18.34 any such application must be made within 8 weeks of receipt of the report which first reports the charging of the remuneration or the incurring of the expenses in question.

2.3 Liquidator's Expenses

It was agreed by creditors on the decision date of 20 May 2021 that I be authorised to draw Liquidators disbursements on the basis of the firm's published tariff.

I anticipated that my expenses would amount to £496.60 as per the fees estimate dated 27 April 2021.

I have incurred the following expenses to date for which payment has been drawn from the case and is reflected on the attached Receipts & Payments Account;

	£
Specific Bond	96.00

In addition, I have incurred the following expenses for which payment has not yet been drawn/invoiced from the case. These amounts will not be recovered by my firm.

	£
Statutory Advertising	198.90
IT Costs	110.00
Postage & Stationery	63.38
	<u>372.28</u>

Please note that my firm's current tariff regards charge out rates and the charging of disbursements can be viewed via 'www.ips-docs.com' using the log in details provided.

2.4 Agent's Fees

The company's assets were valued and sold by Willett Tippet & Co. Their total fee was £501.70, and this has been paid, in full, from asset realisations in the Liquidation

2.5 Other Payments

I believe that the other payments shown on the attached Receipts & Payments Account are self-explanatory.

3 Liquidator's Investigation

In accordance with SIP 2 and the Company Directors Disqualification Act 1986, a thorough investigation of the affairs of the company and the conduct of the directors has been undertaken.

An appropriate report has been submitted to the Insolvency Service however, this report is confidential, and the contents can therefore not be disclosed.

No additional matters for investigation were raised by creditors.

4 Creditor Claims

4.1 Preferential Creditors

As detailed in the company's statement of affairs the preferential claims, in respect of employee's arrears of wages and unpaid holiday pay, were estimated to total £3,487.

A final preferential claim of £2,370.19 has been received from The Insolvency Service, Redundancy Payments Office, in respect of payments which have been made by them to the former employees of the company.

Potential shortfall claims against the company have not been calculated as there is no prospect of a dividend to preferential creditors (see below).

4.2 Prescribed Part

Section 176A of the Act requires the Liquidator to set aside a prescribed amount of the company's 'net property' towards the satisfaction of unsecured debts. Section 176A only applies where there is a floating charge created on or after 15 September 2003.

In this case, there is no floating charge created on or after this date and therefore the prescribed part provisions do not apply.

4.3 Unsecured Creditors

Unsecured creditor claims were estimated to total £121,752 as per the company's statement of affairs.

I have received 8 claims totalling £94,274.66, which include the claims from the Landlord and HSBC UK Bank plc and an unsecured claim of £10,184.55 from The Insolvency Service in respect of payments made to former employees which rank as unsecured.

HM Revenue & Customs did not submit a formal claim in respect of unpaid PAYE, NIC and VAT.

4.4 Dividend Prospects

In accordance with Rule 14.36 of the Rules, I can advise that the funds realised have already been used for paying the expenses of the winding up and there is no prospect of a dividend to any class of creditor in this matter.

5 Conclusion of the Liquidation

You will note that all matters are now concluded, and all receipts and payments are as per the attached Account which shows a NIL balance.

Under Section 106 of the Act and Rule 6.28 of the Rules I am required to provide this report to members and creditors and allow a minimum period of 8 weeks to pass prior to filing my final Account with the Registrar of Companies.

In the event that there are no objections to my concluding this matter within the prescribed period I will proceed to deliver my final account to the Registrar of Companies in order to obtain my release and discharge as Liquidator.

The company will be dissolved approximately 3 months after submission of my final Account.

If you have any queries, please contact Jenny Wright of this office on 0117 970 9236.

Yours faithfully



Simon H Thornton
Liquidator

Dated: 16 February 2023

Earl's And Co Limited - In Liquidation

Appendix 1 - Company Details

Company Number	07889583
Registered Office	3 The Courtyard Woodlands Bradley Stoke Bristol BS32 4NQ
Previous Registered Office	19 Regent Street Cheltenham GL50 1HE
Trading Address	19 Regent Street Cheltenham GL50 1HE

Earl's And Co Limited - In Liquidation

Appendix 2 – Liquidator’s Details

Liquidator’s name and address	Simon Thornton HS Business Recovery Ltd. 3 The Courtyard Woodlands Bradley Stoke Bristol BS32 4NQ
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Date of Appointment	31 March 2021
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Earl's And Co Limited
(In Liquidation)
Liquidator's Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 31/03/2021 To 30/03/2022 (£)	From 31/03/2022 To 16/02/2023 (£)	Total (£)
Cash held in HSBR Client Account	11,134.00	11,134.00	0.00	11,134.00
Rent Deposit	Uncertain	0.00	0.00	0.00
Bank Interest Gross		0.39	0.00	0.39
		11,134.39	0.00	11,134.39
PAYMENTS				
Specific Bond		96.00	0.00	96.00
Convening Fee		6,000.00	0.00	6,000.00
Liquidator's Fees		3,640.00	896.69	4,536.69
Agents/Valuers Fees (1)		501.70	0.00	501.70
Employee -Arrears of Wages & Hol Pay	(3,487.00)	0.00	0.00	0.00
HM Revenue & Customs	(17,932.00)	0.00	0.00	0.00
Trade & Expense Creditors	(27,782.00)	0.00	0.00	0.00
Employees - Pay in Lieu & Redundancy	(8,296.00)	0.00	0.00	0.00
HSBC Bank plc	(50,695.00)	0.00	0.00	0.00
HM Revenue & Customs	(2,787.00)	0.00	0.00	0.00
Consumer Creditors- Gift Vouchers	(32,192.00)	0.00	0.00	0.00
Ordinary Shareholders	(85,100.00)	0.00	0.00	0.00
		10,237.70	896.69	11,134.39
Net Receipts/(Payments)		896.69	(896.69)	0.00
MADE UP AS FOLLOWS				
Deposit Account		168.69	(168.69)	0.00
VAT Receivable / (Payable)		728.00	(728.00)	0.00
		896.69	(896.69)	0.00

Time Entry - SIP9 Time & Cost Summary

E118 - Earl's And Co Limited
Project Code: POST
From: 31/03/2021 To: 16/02/2023

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
0. Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Case Administration & Planning	0.40	4.05	20.35	5.65	30.45	4,417.00	145.06
2. Reporting	0.00	2.90	6.80	0.00	9.70	1,493.50	153.97
3. Enquiries & Investigations	0.00	1.35	28.75	0.00	30.10	4,405.00	146.35
4. Realisation of Assets	0.00	1.25	18.00	0.00	19.25	2,828.75	146.95
5. Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Creditors	0.00	2.00	11.90	0.00	13.90	2,075.50	149.32
7. Employees and Other Prefs.	0.00	0.75	8.10	0.00	8.85	1,305.75	147.54
8. Shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9. Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.40	12.30	93.90	5.65	112.25	16,525.50	147.22
Total Fees Claimed						4,536.69	
Total Disbursements Claimed						0.00	