

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

SATURDAY



\*A6LVH8GI\*  
A45 23/12/2017 #363  
COMPANIES HOUSE

### 1 Company details

Company number

Company name in full

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

### 2 Liquidator's name

Full forename(s)

Surname

### 3 Liquidator's address

Building name/number

Street

Post town

County/Region

Postcode

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.

# LIQ03

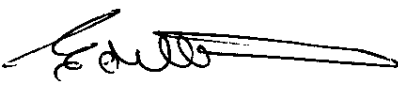
## Notice of progress report in voluntary winding up

6		Period of progress report														
From date	d	2	d	4	m	1	m	0	y	2	y	0	y	1	y	6
To date	d	2	d	3	m	1	m	0	y	2	y	0	y	1	y	7

7		Progress report							
		<input checked="" type="checkbox"/> The progress report is attached							

8		Sign and date														
Liquidator's signature	Signature	<input checked="" type="checkbox"/>  <input checked="" type="checkbox"/>														
Signature date	d	2	d	0	m	1	m	2	y	2	y	0	y	1	y	7

# 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

Company name **Kirker & Co**

Address

Post town

County/Region

Postcode

Country

DX

Telephone **020 7580 6030**

### **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)

**BOTES INTERIORS LIMITED**

**(In Creditors' Voluntary Liquidation)**

**LIQUIDATOR'S ANNUAL PROGRESS REPORT  
TO MEMBERS AND CREDITORS**

**24 OCTOBER 2017**

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3. Liquidators' Remuneration & Expenses

## 1. INTRODUCTION

- 1.1. As previously advised, I was appointed Liquidator of the Company on 24 October 2016 when the Company moved from Administration to Creditor's Voluntary Liquidation. I had previously acted as the sole Administrator, having been appointed by the directors on 5 October 2015.
- 1.2. As Liquidator, I am pleased to present my Annual Report under s.104A of the Insolvency Act 1986 and Rule 18.7 of the Insolvency Rules 2016 for the period 24 October 2016 to 23 October 2017.
- 1.3. Given the information previously provided to creditors, I have not included detailed background information in respect of the Company and focus instead on the progress of the Liquidation since my appointment. If necessary, this report should be read in conjunction with the Administrator's Proposals of 28 November 2015 and the Administrator's Final Progress Report to Creditors of 4 October 2016.
- 1.4. For the purposes of s.231 of the Insolvency Act 1986, I confirm that I am authorised to carry out all of the functions, duties and powers required under the Act.
- 1.5. Statutory information for the Company appears at Appendix 1.

## 2. RECEIPTS AND PAYMENTS ACCOUNT

- 2.1. A Receipts & Payments Account for the period 24 October 2016 to 23 October 2017 appears together with an Estimated Outcome Statement in Appendix 2. I am currently holding £328,833 in the liquidation bank account. Further details appear hereunder.

### 2.2. Receipts

Cash of £58,778 was transferred from the Administration bank account. There is a VAT refund due for the Administration of £6,615, which will be offset against the liability in respect of the liquidation.

With the exception of one contract debt amounting to approximately £35,000, all debts carried over from the Administration have been collected. Total debt collections currently stand at £288,169 in the liquidation and a further £172,000 during administration, giving a total of just over £460,000.

Bank interest earned in the last twelve months amounts to £22.

### 2.3. Payments

#### Snagging Costs

These amounted to £1,882 during the period. This is substantially less than the amount anticipated in my Final Report as Administrator (£44,000) and is a direct result of employing a Building Consultant to assist with debt collections (see below).

#### Contract Consultant's Fees

In an effort to keep Liquidator's fees at a reasonable level, I engaged an independent contract debt consultant to assist with negotiating settlements on the contract debts. This has proved very successful with his fees amounting to £31,170 as compared to time costs for the Liquidator's staff that would have amounted to at least double that figure. In addition, the anticipated snagging costs have reduced significantly.

#### Debt Collection Commission

The contract debt consultant agreed to charge his fees on a part time/part commission basis. The commission rate was agreed at 5% as compared to 15-20%, which is the usual rate with insolvency situations. The provision for commission in the Estimated Outcome Statement (Appendix II) comprises commission due for both the Administration and Liquidation.

#### Legal Fees

Legal fees associated with debt collection include barrister's fees for issuing a winding up petition against a debtor in the British Virgin Islands. Over £200k was recovered from this debtor.

#### Bonding

As a consequence of debtor realisations being more than expected, I was obliged to increase the Liquidator's statutory bond to £500k at a cost of £2,700.

#### Administrator's Fees

I did not draw any fees as Administrator during the Administration as I wished to preserve funds for legal actions that could have been required to recover debts. With only one debt left to collect, I have drawn £25,000 and the balance will be drawn shortly.

#### Liquidator's Fees

I have not drawn any fees as yet as Liquidator. Unfortunately, the response from creditors to a request for details of their claims has proved disappointing and the time costs of dealing with claims are therefore higher than expected. For the moment, I have provided £25,000 for Liquidator's fees.

### **3. POTENTIAL REALISATIONS**

- 3.1. As advised above, with the exception of one debt, all realisable assets have been collected and no further realisations are expected. The debt amounts to approximately £35,000 and negotiations are continuing in an effort to reach a settlement. However, unless these negotiations are concluded early in the January 2018, I shall be referring the matter to an Adjudicator. Subject to the debt being collected, total realisations in the liquidation are expected to be in the order of £488,000.
- 3.2. The estimated further costs of the liquidation appear in the Estimated Outcome Statement in **Appendix II** and are self-explanatory, being the commission due to the contract debt consultant; outstanding Administrator's fees; and the estimated Liquidator's fees for distributing a dividend and closing the liquidation.
- 3.3. Liquidator's remuneration is dealt in further detail in the section below and an analysis appears in **Appendix III**.

#### **4. OUTCOME FOR CREDITORS**

- 4.1. Barclays Bank held a fixed and floating charge over the assets but they were not owed anything at the date of Administration. I am not aware of any other secured creditors in the Administration and none are expected.
- 4.2. Preferential claims are limited to arrears of pay and holiday pay outstanding to former employees. The employees were paid up to the date of Administration and preferential claims were limited to holiday pay. Claims were submitted to the Redundancy Payments Service (RPS) and they have confirmed total claims of £3,446, which is slightly less than previously provided.
- 4.3. Claims for pay in lieu of notice and redundancy rank as unsecured claims in the Administration. Given that the company had been trading for 13 years and most of the employees were long-serving, the entitlements were expected to be substantial. In the event, the RPS has confirmed a claim of £45,125 as compared to the £50,000 previously provided.
- 4.4. Trade creditors were estimated in the Statement of Affairs at £896,064. There is also £11,965 owing to HMRC for PAYE. There could be a VAT refund due to the company but this will be offset against other Crown debts. Total unsecured claims are now expected to be in the region of £953,000.
- 4.5. Some creditors may disagree with the amounts in the Company's books and I expect the total to change, as claims are reconciled. However, on the basis that total claims remain at or around the current level, and that realisations are in line with expectations, there could be a dividend of 18 to 19 pence in the £ for creditors after the costs and expenses of the Administration are taken into account.
- 4.6. Once the total realisations are known, it will take six to nine months to complete the statutory formalities and agree claims, after which the dividend will be distributed. Meanwhile, any creditor who has not yet claimed VAT Bad Debt Relief on their claim should do so, as this effectively increases the total expected recovery to around 40p in the £.

#### **5. INVESTIGATIONS**

- 5.1. The Directors' Conduct Report was submitted to the Department of Business, Innovation and Skills during the Administration. This report is not on the public record and therefore I am unable to comment further.

#### **6. LIQUIDATOR'S REMUNERATION**

- 6.1. The creditors meeting in December 2015 agreed that in accordance with Rule 2.106 of the Insolvency (Amendment) Rules 2003, my remuneration should be fixed by reference to the time properly spent by me and my staff in attending to matters arising in the Administration and subsequent Liquidation.
- 6.2. Time costs in the liquidation as at 23 October 2017 amount to £15,930 plus VAT for 54 hours of time spent. This breaks down as to 28 hours on reviewing and negotiating on contract debts; 18 hours dealing with creditors; and 8 hours writing and distributing this report (**Appendix III**).
- 6.3. Due to the large number of creditors that have yet to respond to my requests for details of their claims, I estimate that agreeing claims; distributing the preferential and unsecured dividends; and closing the liquidation could incur further costs of up to £10,000. Total fees for the liquidation will therefore be in the order of £25,000. However, this could rise if the difficulties encountered to date continue.



- 6.4. Those creditors who have not already done so are therefore urged to provide details of their claims as soon as possible.

**7. FURTHER INFORMATION**

- 7.1. Should you have any queries in respect of the Liquidation, please do not hesitate to contact me.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Edwin Kirker', with a long horizontal flourish extending to the right.

Edwin Kirker  
Liquidator

[Please note that the Liquidator and his staff act as agents of the Company and without personal liability at all times.]  
[Edwin Kirker is licensed by the Institute of Chartered Accountants in Ireland]

## APPENDIX I

### STATUTORY INFORMATION

Company Name: Botes Interiors Limited  
Previous Names: Newco Limited (to 23/01/2003)  
Company Number: 02991774  
Date of Incorporation: 18 November 1994  
Trading Address: Unit 12, 37 Tanner Street  
London SE1 3LF  
Registered Office: c/o Kirker & Co  
Centre 645, 2 Old Brompton Road  
London. SW7 3DQ  
Previous Registered Office: Unit 12, 37 Tanner Street  
London SE1 3LF  
Principal Activity: Interior Fit-Outs.

### Directors and Shareholders

Company Directors: Simon Botes  
Company Secretary: Paul Fletcher  
Shareholders: Simon Botes – 100%

### Summary of charges

Description	Person entitled	Created	Registered
Fixed and Floating Charge	Barclays Bank	4 March 2003	10 March 2003
Rent Deposit Deed	Bridge Start Properties Limited	4 June 1998	6 June 1998

**APPENDIX II**

**BOTES INTERIORS LIMITED (IN LIQUIDATION)  
ESTIMATED OUTCOME AND RECEIPTS & PAYMENTS ACCOUNT  
AS AT 24 OCTOBER 2017**

	Receipts & Payments to Date £	To be Realised £	Total Realisations Expected £
<b>Assets</b>			
Cash from Administration	58,778	0	58,778
VAT Recoverable - Administration	0	6,615	6,615
Contract Debtors and Retentions	288,169	35,000	323,169
Bank Interest	22	0	22
	<u>346,969</u>	<u>41,615</u>	<u>388,584</u>
<b>Administration Costs</b>			
Contract Snagging & Rectification	1,882	0	1,882
Contract Debt Consultant Fees	31,170	0	31,170
Debt Collection Commission (5%)	0	24,800	24,800
Legal Fees - Debt Collection	11,333	5,500	16,833
Statutory Advertising & Bonding	2,700	0	2,700
Rent, Rates & Insurances	0	0	0
Utilities, Telephones & IT	70	0	70
Book-keeping & Accounting	0	3,000	3,000
Removals and Document Storage	0	2,500	2,500
Administrator's Fees	25,000	70,000	95,000
Liquidation Expenses	313	4,687	5,000
Liquidator's Fees	0	25,000	25,000
VAT Payable - Liquidation	(54,332)	54,332	0
	<u>18,136</u>	<u>189,819</u>	<u>207,955</u>
<b>Net Realisations</b>	<b>328,833</b>	<b>(148,204)</b>	<b>180,629</b>
Preferential Creditors - Arrears of Pay & Hol Pay	0	3,446	3,446
Surplus as regards Preferential Creditors	<u>328,833</u>	<u>(151,650)</u>	<u>177,183</u>
Unsecured Creditors:			
Trade & Expense Creditors	0	896,064	896,064
Employees - Bal of Arrears, Hol. Pay, PLN & Redundancy	0	45,125	45,125
HMRC - VAT	0	0	0
HMRC - PAYE	0	11,965	11,965
	<u>0</u>	<u>953,154</u>	<u>953,154</u>
<b>Surplus/(Deficit) as regards Preferential &amp; Unsecured Creditors</b>	<u><u>328,833</u></u>	<u><u>(1,104,804)</u></u>	<u><u>(775,971)</u></u>
<b>Estimated Dividend for Unsecured Creditors - Pence in the £.</b>			<u><u>18.59</u></u>

## APPENDIX III

### ANALYSIS OF TIME COSTS

#### 1. Overview of Case

##### 1.1. Appointment

The Liquidator was appointed on 24 October 2016 when the company moved from Administration to Creditor's Voluntary Liquidation.

##### 1.2. Strategy

Please see main body of the report.

##### 1.3. Staffing

Staff have been used on the assignment based upon previous knowledge and experience.

##### 1.4. Existing fee arrangements

The proposal to charge fees on a time cost basis was approved at the meeting of creditors on 11 December 2015.

##### 1.5. Anticipated return to creditors

It is anticipated that preferential creditors will be paid in full. There may be a dividend for unsecured creditors after the costs and expenses of Liquidation.

#### 2. Explanation of office-holders charging and disbursement recovery policies

##### 2.1. Time recording

Time properly incurred on cases is charged to the assignment at the hourly rate prevailing at the time. The current hourly charge out rates, covering the whole period, are outlined below:

	£
Partner	295
Manager	195
Assistant	125

##### 2.2. Disbursements recovery

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling (45p/£) and bonding (at cost). General overheads such as general print, post and stationery (Category 2 disbursements) are included in the charge-out rates and are not recharged.

#### 3. Description of work carried out

Section 4 of this appendix outlines the time costs to date in relation to activities undertaken during this matter. These matters can be summarised as follows:

##### 3.1. Pre-appointment

Time spent in this category comprises the activities required to place the Company into liquidation.

##### 3.2. Administration and planning

The following activities have been undertaken:

- Statutory duties associated with the appointment including the filing of relevant notices
- Notification of the appointment to creditors, members, employees and other interested parties
- Setting up case files
- Reviewing available information to determine appropriate strategy, and

- Setting up and maintaining bank accounts.

### 3.3. Realisation of assets

Please see the main body of the report for details on the assets realised.

### 3.4. Creditors

The time spent includes the following matters:

- Correspondence with creditors
- Recording and maintaining the list of creditors
- Dealing with employee related matters
- Recording creditor claims
- Dealing with creditor queries, and
- Reviewing and evaluating creditor claims.

## 4. Time and Charge-out Summary

A total of 54 hours have been spent to 23 October 2017 at an average charge out rate of £295 per hour, bringing the total cost to date to £15,930:

Classification of work function	Partner Hours (£295 per hr)	Manager Hours (£195 per hr)	Assistant Hours (£125 per hr)	Total Hours	Time Cost £	Average hourly rate £
Administration and planning	8	0	0	8	2360	295.00
Investigations	0	0	0	0	0	0
Realisation of assets	28	0	0	28	8260	295.00
Trading	0	0	0	0	0	0
Creditors & Employees	18	0	0	18	5310	295.00
Case specific matters (Specify)	0	0	0	0	0	0
Total hours	54	0	0	54		
Total fees claimed (£)	15930	0	0		<b>15930</b>	

The above costs exclude VAT.

**5. Disbursements**

The only direct expense (Category 1 disbursements) in the year was the cost of increasing the Liquidator's statutory bond. The other expenses appearing in the Receipts & Payments Account are self-explanatory. As noted above, we do not recharge Category 2 disbursements.

**6. Supporting documentation**

An Estimated Outcome Statement incorporating a Receipts and Payments account to 23 October 2017 appears in Appendix II of this report.

**7. Creditors' Right to Request Information**

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors (including himself) or, with permission of the Court, may in request the Liquidator to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made in writing within 21 days of receipt of this report as required by Rule 18.9 of the Insolvency Rules 2016.

**8. Creditors' Right to Challenge Remuneration and/or Expenses**

Any secured creditors, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or, with permission of the Court, may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which the Liquidator is entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the report detailing the remuneration and/or expenses being complained of, in accordance with Rules 18.3 or 18.14 of the Rules.

Challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.