

## Liquidator's Progress Report

# S.192

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

2751383

Name of Company

E E W & Company Limited

I / We

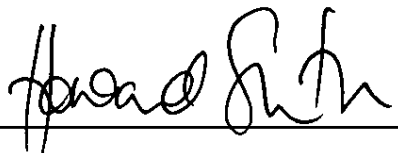
Howard Smith, Quayside House, 110 Quayside, Newcastle upon Tyne, NE1 3DX

Mark Granville Firmin, Quayside House, 110 Quayside, Newcastle upon Tyne, NE1 3DX

the liquidator(s) of the company attach a copy of my/our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 16/03/2014 to 13/08/2014

Signed



Date

13/8/14

KPMG LLP  
St James' Square  
Manchester  
M2 6DS

Ref EC315C0031/SPC/RJEM/SR

THURSDAY

MOND.



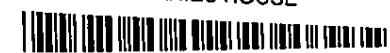
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#229

COMPANIES HOUSE



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18/08/2014

#164

COMPANIES HOUSE

**E.E.W. & Company Limited**  
**(In Liquidation)**  
**Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 16/03/2014 To 13/08/2014	From 16/03/2012 To 13/08/2014	
	ASSET REALISATIONS		
13,485 86	VAT refunds (pre-liq )	NIL	13,485 86
183,013 70	Funds from administration	NIL	183,013 70
		NIL	196,499 56
	OTHER REALISATIONS		
	Bank interest, gross	0 92	530 38
	Gross interest on administration surplus	NIL	51 80
		0 92	582 18
	COST OF REALISATIONS		
	Administrators fees	NIL	3,664 00
	Liquidator's fees	1,115 87	13,115 87
	Irrecoverable VAT	16 92	16 92
	Statutory advertising	84 60	245 70
	Bank charges	0 62	26 37
		(1,218 01)	(17,068 86)
	PREFERENTIAL CREDITORS		
	Subrogated EP(C)A claim	NIL	23,323 28
	Employees' wage arrears/holiday pay	NIL	14,864 57
		NIL	(38,187 85)
	FLOATING CHARGE CREDITORS		
(1,044,000 00)	Floating charge	NIL	90,762 79
		NIL	(90,762 79)
	UNSECURED CREDITORS		
(1,168,000 00)	Trade & expense	NIL	51,062 24
		NIL	(51,062 24)
(2,015,500 44)		(1,217 09)	(0 00)
	REPRESENTED BY		
	VAT receivable		765 02
	Floating ch VAT control		(765 02)
			NIL



**E.E.W. & Company Limited  
(in liquidation)**

**Final Report  
for the period from 16 March  
2014 to 13 August 2014**

**KPMG LLP**

**13 August 2014**

*This report contains 13 Pages*



## **About this report**

This progress report has been prepared by Howard Smith and Mark Granville Firmin, the Joint Liquidators of this company, solely to comply with their statutory duty under the Insolvency Act and Rules 1986 ("IA86") to provide members and creditors with an update on the progress of the liquidation of the estate, and for no other purpose

This report is not suitable to be relied upon by any other person, or for any other purpose, or in any other context including any investment decision in relation to the debt of or any financial interest in this company. Any person that chooses to rely on this report for any purpose or in any context other than under IA86 (as amended) does so at their own risk. Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for individual creditors.

Howard Smith is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association. Mark Granville Firmin is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of England and Wales. The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the liquidation.



*E E W & Company Limited (in liquidation)*  
*Final Report*  
*KPMG LLP*  
*13 August 2014*

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**Appendix 3: Analysis of office holders' time costs**

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## 1 Executive summary

- This final report covers the final period of the liquidation of E E W & Company Limited ("the Company") from 16 March 2014 to 13 August 2014
- To date realisations of £197,081 have been achieved. No further realisations are expected
- Distributions of £90,763 have been paid to the secured creditor (Co-operative Bank Plc ("Co-op")) and preferential creditors totalling £38,188 have also previously been paid in full
- A prescribed part fund was available to unsecured creditors in this case and a dividend of 4.51p in the £ was paid in June 2013. No funds are available to enable further distributions to be made to unsecured creditors
- Accompanying this Progress Report is all the relevant statutory and supporting information included by way of Appendices
- Any additional information regarding office holders' remuneration and / or other expenses charged for the period is available from the office holder upon request by any secured creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt, in accordance with Rule 4.49(E) of the Insolvency Rules 1986. This request must be made within 21 days of receipt of this report. The full text of this rule can be provided upon request
- As all matters have now been resolved, final meetings of members and creditors were held on 13 August 2014 to bring the liquidation to a formal conclusion
- The Company will be dissolved approximately 3 months after the date of the final meetings of members and creditors

Howard Smith  
*Joint Liquidator*



## **2 Previous appointments**

Howard Smith and Mark Granville Firmin were previously appointed as Joint Administrators of the Company on 18 March 2011 and, following the filing of Form 234B (notice of move from administration to creditors' voluntary liquidation) at Companies House, were subsequently appointed as Joint Liquidators on 16 March 2012

## **3 Progress of the liquidation**

The Company was previously in administration and was placed into liquidation to allow distributions to be made to creditors

These distributions have now been made and all other matters, including a review of possible compensation due from Co-op, have been concluded. Final meetings of members and creditors were held on 13 August 2014 in accordance with Section 106 of IA86

Please note that the release of the Joint Liquidators is automatic, as no creditor proposed a resolution against this action

A final receipts and payments account to 13 August 2014 was made available at the final meetings and will now be lodged at Companies House, after which the Company will be dissolved

### **3.1 Expenses for the period**

The receipts and payments for the period are set out in the attached Receipts and Payments Account (see Appendix 2). The figures on this account are shown net of VAT

The receipts and payments account shows a nil balance

#### **3.1.1 Joint Liquidators' remuneration**

The office holders' time costs for the period of this report are also attached (see Appendix 3)

In this period time has amounted to 12 hours at a cost of £3,782, bringing total time incurred to date to 209 hours at a cost of £55,607

Fees were calculated and drawn on a time and costs basis

Rule 4.127(5A) of IA86 states that where a liquidation follows on directly from an administration in which the liquidator had acted as administrator (as in this case), the basis of remuneration fixed in the administration continues to apply in the liquidation



(The statutory provisions relating to administrators' remuneration are set out in Rule 2.106 of the IA86)

As there was no prospect of a distribution to the unsecured creditors (other than via the prescribed part fund), the administrators' fees (and subsequently the liquidators' fees), require the approval of the secured and preferential creditors. The Joint Administrators have the approval of Co-Op and the requisite number of preferential creditors to draw fees and a total of £1,116 has been drawn in this period bringing total fees to £13,116, leaving a substantial shortfall against costs incurred.

Creditors are advised that under Rule 4.131 IA86 any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (or with the permission of the court) who thinks that the remuneration and or expenses that have been incurred by the liquidator are excessive or inappropriate in all circumstances, may apply to the court for one or more of the following orders:

- (a) an order reducing the amount of remuneration which the liquidator is entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced rate or amount,
- (c) an order changing the basis of remuneration,
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
- (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify.

The full text of this rule can be provided upon request.

A creditors' guide to fees can be found at

[http://www.r3.org.uk/media/documents/publications/professional/Guide to Liquidators Fees Nov2011.pdf](http://www.r3.org.uk/media/documents/publications/professional/Guide%20to%20Liquidators%20Fees%20Nov2011.pdf)

However, if you are unable to access this guide and would like a copy, please contact Greg Clifford on 0113 231 3084.

### **3.1.2 Statement of expenses**

Expenses for this period total £3,868 including amounts accrued but not paid (see Appendix 4 for details).

## **4 Estimated outcome for creditors**

### **4.1 Secured creditors**

At the date of the previous Joint Administrators' appointment, Co-Op had an outstanding debt of approximately £1,194,000, plus interest and charges, due from the Company.





This was secured by a fixed and floating charge debenture over the Company's assets dated 30 July 2008

A distribution of £150,000 was made in the previous administration with further distributions totalling £90,763 paid to Co-Op during this liquidation. No further distributions will be made.

#### **4.2 Preferential creditors**

Claims in respect of arrears of wages or holiday pay amounted to £38,188 and were paid in full.

#### **4.3 Prescribed part**

The Insolvency Act 1986 (Prescribed Part) Order 2003 applies in this case as the security held by Co-Op was created after 15 September 2003. The prescribed part is calculated as a percentage of the Company's net property, which is the net amount available to the floating charge holder(s) after payment of costs and preferential creditors.

In this case the gross prescribed part fund amounted to £62,000. After the deduction of the costs of agreeing unsecured claims, the net prescribed part fund amounted to £51,062.

#### **4.4 Unsecured creditors**

In their Statement of Affairs, the directors estimated that the Company had unsecured liabilities of £1,168,000.

Claims totalling £1,132,201 were received from 76 unsecured creditors. A first and final dividend of 4.51 pence in the pound was declared in June 2013, resulting in a total distribution of £51,062.



## **5 Relocation of meeting**

Contained within the IA86, Rule 4.60 requires the Joint Liquidators to have regard to the convenience of creditors when convening any general meeting. From previous experience, creditors seldom attend such meetings and final meetings were therefore convened in KPMG's Manchester office in order to minimise costs. No creditor who wished to attend considered that the proposed venue was inconvenient.



## **Appendix 1: Statutory information**

### **Appointment**

Company name & trading style	E E W & Company Limited
Liquidation	The Company was placed into creditors' voluntary liquidation following submission of Form 2 34B at Companies House on 16 March 2012
Date of appointment	16 March 2012
Office holders details	<p>Howard Smith was appointed on 16 March 2012 and is authorised to act as an insolvency practitioner in the United Kingdom by the Insolvency Practitioners Association</p> <p>Mark Granville Firmin was appointed on 16 March 2012 and is authorised to act as an insolvency practitioner in the United Kingdom by the Institute of Chartered Accountants of England and Wales</p>
Application of EC regulations	EC regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC regulations

### **Company Information**

Company registration number	2751383
Previous registered office	Unit 9, Belmont Industrial Estate, Durham DH1 1ST
Present registered office	c/o KPMG LLP, Quayside House, 110 Quayside, Newcastle-upon-Tyne NE1 3DX



## Appendix 2: Office holders' receipts and payments account for the period

### **E E W & Company Limited (In Liquidation) Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 16/03/2014 To 13/08/2014	From 16/03/2012 To 13/08/2014
<b>ASSET REALISATIONS</b>		
13 485 86 VAT refunds (pre-liq)	NIL	13 485 86
183 013 70 Funds from administration	NIL	183 013 70
	NIL	196 499 56
<b>OTHER REALISATIONS</b>		
Bank interest gross	0 92	530 38
Gross interest on administration surplus	NIL	51 80
	0 92	582 18
<b>COST OF REALISATIONS</b>		
Administrators fees	NIL	1 664 00
Liquidator's fees	1 115 87	13 115 87
Inrecoverable VAT	16 92	16 92
Statutory advertising	84 60	245 70
Bank charges	0 62	26 17
	(1 218 01)	(17 068 86)
<b>PREFERENTIAL CREDITORS</b>		
Subrogated EP(C)A claim	NIL	23 323 26
Employees wage arrears/holiday pay	NIL	14 864 97
	NIL	(38 187 85)
<b>FLOATING CHARGE CREDITORS</b>		
(1 044 000 00) Floating charge	NIL	90 762 79
	NIL	(90 762 79)
<b>UNSECURED CREDITORS</b>		
(1 168 000 00) Trade & expense	NIL	51 062 24
	NIL	(51 062 24)
<b>(2,015,500 44)</b>	<b>(1,217 09)</b>	<b>(0 00)</b>
<b>REPRESENTED BY</b>		<b>NIL</b>



## Appendix 3: Analysis of office holders' time costs

### Summary of time incurred for the period

	Partner / Director	Manager	Administrator	Support	Total Hours	Time Cost (£)	Average Hourly Rate (£)
<b>Administration &amp; planning</b>							
<b>Cashiering</b>							
General (Cashiering)			1 20		1 20	234 00	195 00
Reconciliations (& IPS accounting)			0 60		0 60	159 00	265 00
<b>General</b>							
Books and records			0 40		0 40	106 00	265 00
<b>Statutory and compliance</b>							
Checklist & reviews	0 50		1 90		2 40	746 00	310 83
Closure and related formalities		1 00			1 00	475 00	475 00
Statutory receipts and payments			0 40		0 40	106 00	265 00
Strategy documents			0 10		0 10	26 50	265 00
<b>Creditors</b>							
<b>Creditors and claims</b>							
Statutory reports	0 50	1 00	4 50		6 00	1 910 00	318 33
<b>Employees</b>							
Correspondence			0 10		0 10	19 50	195 00
<b>Total in period</b>	<b>1 00</b>	<b>2 00</b>	<b>9 20</b>	<b>0 00</b>	<b>12 20</b>	<b>3,782 00</b>	<b>310 00</b>
Brought forward time (appointment date to SIP 9 period start date)					197 15	51 824 50	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)					12 20	3 782 00	
Carry forward time (appointment date to SIP 9 period end date)					209 35	55 606 50	

Note: Time is charged in minimum units of 6 minutes



## Summary of hourly rates

Rate ID	Start Date	End Date	Grade	HR Activity Type	FSR
CRS	01/10/2012	30/09/2013	P1	Equity partner	565
CRS	01/10/2012	30/09/2013	A	Associate partner	485
CRS	01/10/2012	30/09/2013	P0	Director	485
CRS	01/10/2012	30/09/2013	B1	Senior manager	450
CRS	01/10/2012	30/09/2013	C1	Manager	365
CRS	01/10/2012	30/09/2013	D1	Assistant manager	250
CRS	01/10/2012	30/09/2013	E1	Senior associate	185
CRS	01/10/2012	30/09/2013	EA	Associate	115
CRS	01/10/2012	30/09/2013	EB	Support	115
CRS	01/10/2012	30/09/2013	E0	EWS	45
CRS	01/10/2013	30/09/2014	P1	Equity partner	565
CRS	01/10/2013	30/09/2014	A	Associate partner	485
CRS	01/10/2013	30/09/2014	P0	Director	485
CRS	01/10/2013	30/09/2014	B1	Senior manager	475
CRS	01/10/2013	30/09/2014	C1	Manager	385
CRS	01/10/2013	30/09/2014	D1	Assistant manager	265
CRS	01/10/2013	30/09/2014	E1	Senior associate	195
CRS	01/10/2013	30/09/2014	EA	Associate	120
CRS	01/10/2013	30/09/2014	EB	Support	120
CRS	01/10/2013	30/09/2014	E0	EWS	45

Discipline	Business Unit	Grade	2012 Min	2012 Max	2013 Min	2013 Max	2014 Min	2014 Max
Admin	Business Support	I A Support Staff			115	115		
Admin	other CSS	I-A Support Staff	110	110	115	115		
Admin	other CSS	FD Support Staff	110	110				
T&R	Restructuring	A Director	460	485				
T&R	Restructuring	B1 Senior Manager			450	475		
T&R	Restructuring	C1 Manager	345	365				
T&R	Restructuring	D1 Assistant Manager	240	250	250	265	265	265
T&R	Restructuring	D2 Assistant Manager			250	250		
T&R	Restructuring	DA Support Staff			120	120		
T&R	Restructuring	E1 Associate	175	185	185	185		
T&R	Restructuring	E2 Associate			185	185	195	195
T&R	Restructuring	E1 Senior Associate	175	185	185	195	195	195
T&R	Restructuring	P0 Associate Partner	460	485	485	485	485	485
T&R	Restructuring	P1 Equity Partner	565	565				
TAX	Indirect Tax	C1 Manager	345	345				
TAX	UK TAX North	A Director	460	460				
TAX	UK TAX North	C1 Manager	345	345				
TAX	UK TAX North	C2 Manager			365	365		
TAX	UK TAX North	D2 Assistant Manager			250	250		
TAX	UK TAX North	D3 Assistant Manager	240	240				



## **Appendix 4: Schedule of expenses for the period**

<b>Section</b>	<b>Account</b>	<b>Paid</b>	<b>Accrued</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>
Cost of realisations	Liquidators' fees	-	3,782	3,782
	Statutory Advertising	85	-	85
	Bank charges	1	-	1
<b>TOTAL</b>		<b>86</b>	<b>3,782</b>	<b>3,868</b>

Note: The table above shows expenses that have been paid or incurred in this period which have not been paid and/or accrued in previous reporting periods.