

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

SATURDAY



A15 *A8ØUL2K3* 09/03/2019 #143
COMPANIES HOUSE

1 Company details

Company number 0 0 6 2 4 1 8 1

Company name in full C F Hewerdine Limited

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

2 Liquidator's name

Full forename(s) Christopher

Surname Marsden

3 Liquidator's address

Building name/number One Redcliff Street

Street Bristol

Post town BS1 6NP

County/Region

Postcode

Country

4 Liquidator's name

Full forename(s) Christine

Surname Francis

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

5 Liquidator's address

Building name/number 150 Aldersgate Street

Street London

Post town EC1A 4AB

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

e Francis

X

Signature date

d

0

d

8

m

0

m

3

y

2

y

0

y

1

y

9

LIQ14

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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

Ian Willmott

Company name

BDO LLP

Address

150 Aldersgate Street

London

Post town

EC1A 4AB

County/Region

Postcode

Country

DX

Telephone

+44 (0)20 7334 9191



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

Strictly Private & Confidential

C F HEWERDINE LIMITED (‘THE COMPANY’)

Final account to the members and creditors pursuant to
Section 106 of the Insolvency Act 1986 and Rule 18.14 of The
Insolvency (England and Wales) Rules 2016

10 January 2019

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Any estimated outcomes for creditors are illustration only and cannot be relied upon a guidance as to the actual outcome for creditors.

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1. Statutory information

Company name: C F Hewerdine Limited

Company number: 00624181

Registered office: Suite 17, Building 6
Croxley Park
Hatters Lane
Watford WD18 8YH

Date of appointment: 5 February 2014

Joint liquidators: Michael Finch (5 February 2014 to date)
Christopher Marsden (6 July 2018 to date)

Joint liquidators' address: Suite 17, Building 6
Croxley Park
Hatters Lane
Watford WD18 8YH

2. Conduct of the liquidation

- 2.1. The affairs of the Company are now fully wound up and this is the final account of the liquidation.
- 2.2. The receipts and payments account attached in Appendix I details the assets realised during the liquidation together with the receipts and payments since my previous progress report and a comparison of the directors' statement of affairs values.
- 2.3. Aside from payments of £14 (Corporation Tax) and £373 (The Insolvency Service Unclaimed Dividends Account) within the period since the last progress report, there have been no other receipts or payments to/from the liquidation estate.
- 2.4. Proudley Associates Limited ('Proudley'), an independent company of commercial valuers and auctioneers, was retained to act on my behalf to complete the orderly realisation of the Company's loose and intangible assets.
- 2.5. Details on each class of asset realisation are specified below.
Goodwill (including IPR)
- 2.6. This asset was realised by Proudley and comprised the Company's name, website, telephone numbers and database. Total realisations of goodwill amounted to £8,250. No value was attributed to goodwill in the director's statement of affairs of 5 February 2014.
Furniture and equipment, motor vehicles, stock and work in progress
- 2.7. Against an estimated to realise figure of £4,700 scheduled in the statement of affairs of 5 February 2014, Proudley was able to achieve total realisations of £6,400 in relation to the Company's furniture and equipment.
- 2.8. As regards its motor vehicles, the total amount of £25,000 realised by Proudley was also considerably better than the estimated to realise figure of £9,500.
- 2.9. Stock and work in progress realisations were £13,000 and £2,274 respectively.

- 2.10. Whilst these realisations were in line with the statement of affairs of 5 February 2014, the realisation process was complicated by issues of identification and third party claims including reservation of title claims.

Cash at bank and cash in hand

- 2.11. The Company held accounts at two banks. Its main account was held with Barclays Bank plc and the credit balance of £62,832 held with that bank was transferred to the liquidation bank account following the Company entering liquidation.
- 2.12. The second account was held with National Westminster Bank plc. ('NatWest'). This account was used for receipt of monies paid by the Company's non-business customers for maintenance contracts. Funds totalling £3,756 from this account were transferred to the liquidation account following the Company entering liquidation. However, following a reconciliation of funds received to the NatWest account after 5 February 2014, refunds totalling £320 were issued to 23 of the Company's former customers.
- 2.13. The cash in hand figure of £10 represented the Company's petty cash.

Trade debtors

The realisation of the Company's debtor ledger was undertaken by my staff and resulted in the recovery of total funds of £187,776 against the director's estimated to realise figure of £100,000 and representing 85% of the actual debtor ledger. The book debt collection is summarised as follows:

	£
Invoices received at appointment	274,362
Monies received into 'pre-liquidation' bank a/c	(32,493)
Sum contrad on resolution of reservation of title claim	(18,558)
Debts written off	(35,535)
	<hr/>
	187,776
	<hr/>

Other realisations

- 2.14. Throughout the period of the liquidation, realisations totalling £1,274 have been received. These relate to an insurance settlement, a business rates refund, a bank charges refund, a Corporation Tax contribution and gross interest.
- 2.15. As previously advised, Statement of Insolvency Practice 13 ('SIP 13') requires that the liquidator report any connected party transaction to members and creditors when he first reports to them after the transaction has taken place.
- 2.16. In the liquidator's report to members and creditors dated 5 March 2015, it was reported that an element of £9,500 relating to the Company's goodwill, furniture and equipment, and stock was sold by Proudley on 13 March 2014 to Motability for You Limited, a company operated by the Company's former directors. Compliance with SIP 13 was therefore effected by the disclosure made in that report.
- 2.17. All realisable assets have been realised.

3. Investigations

- 3.1. An appropriate submission on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business, Energy & Industrial Strategy in accordance with the joint liquidators' statutory duties. Please note that the content of this submission is of a confidential nature and so cannot be disclosed to third parties by myself.

4. Joint liquidators' remuneration and category 2 disbursements

- 4.1. At the initial meeting of creditors held on 5 February 2014 the following resolutions were passed:
- That the fees of Wilkins Kennedy LLP in connection with preparing the statement of affairs, convening the meetings of members and creditors and for assisting the directors in the period leading up to the liquidation be approved.
 - That the statement of affairs fee of £11,950 plus VAT and disbursements, be drawn from the assets of the company.
 - That the liquidator is authorised to draw his remuneration on the basis of his time costs with such remuneration to be drawn on account from time to time as funds permit.
 - That the liquidator is authorised to draw category 2 disbursements.
 - That the fees and expenses of Proudley Associates Limited in connection with all work done on behalf of the company in the period leading up to the liquidation be approved and such fees to be drawn from the assets of the company.
 - That the fees and expenses of Proudley Associates Limited in connection with work done for the liquidator be treated as an expense of the liquidation.
 - That the liquidator be authorised to instruct and pay Moore Stephens LLP to assist with corporation tax work, employee claims and any other matters the joint liquidators deem necessary.
- 4.2. The statement of affairs fee of £11,950 and disbursements of £155 have been drawn and paid to Wilkins Kennedy LLP.
- 4.3. Work undertaken during the liquidation was primarily associated with the liquidation team's collection of the Company's book debts as well as liaising with Proudley in relation to the realisation of the Company's loose assets. In addition, considerable time was given to resolving third party claims and title issues. Furthermore, significant time was applied to the adjudication of the claims of the Company's preferential and unsecured creditors, effecting dividend distributions to the preferential and unsecured creditors, as well as dealing with enquiries received from those individuals and the Company's former customers.
- 4.4. We have also dealt with the statutory functions required under the Insolvency Act and Rules.
- 4.5. Since my previous progress report, time costs of £2,458 have been incurred over 13.1 hours at an average rate of £187.60 per hour. Total time costs of £138,204 have been incurred over 610.55 hours at an average rate of £226.36 per hour. A detailed breakdown of the time costs and category 2 disbursements of the joint liquidators, together with current charge out rates and examples of work undertaken in a liquidation are included in Appendix II.

- 4.6. Detailed at Appendix III, is a Statement of Insolvency Practice 9 disclosure summarising the nature of work undertaken during the winding up of the Company.
- 4.7. £121,600 has been drawn on account in respect of the joint liquidators' time costs. The value of the unbilled time, outstanding costs and the time that will be incurred in concluding the liquidation will be written off.
- 4.8. Should you wish to receive a copy of "A Creditors' Guide to Liquidators' Fees" this is available on the Moore Stephens website (<http://www.moorestephens.co.uk/corporaterecovery.aspx>) or by requesting a copy from this office in writing or by telephone.

5. Joint liquidators' expenses

- 5.1. A schedule of all expenses incurred in the liquidation has been detailed in Appendix IV. Further information relating to items included within these payments is detailed below.

Agents' fees and expenses

- 5.2. These comprise time cost based fees of £17,563 paid to Proudley in relation its assistance in the orderly realisation of the Company's goodwill and loose assets. As previously advised, the work undertaken by Proudley was very involved and further complicated by having to deal with the repatriation of third party owned assets located at several sites. Proudley was nevertheless instrumental in maximising asset realisations.
- 5.3. Duties of a liquidator include reviewing the Company's records, the affairs of the Company and the conduct of its directors. In this regard, a complete digital back up of the Company's electronic records was completed by Ardenta Consulting Limited at a cost of £972.
- 5.4. The services of ERA Solutions Limited were obtained to assist with the adjudication of the claims of the Company's former employees ahead of the payment of preferential and unsecured dividends. In this regard, expenditure of £190 was incurred.

Agents' fees and expenses (pre-liquidation)

- 5.5. Fees relating to work undertaken by Proudley, on behalf of the Company in the period leading up to the liquidation, amounting to £1,610 were paid from the liquidation estate.

Legal fees and expenses

- 5.6. Howell Brooks & Partners LLP, a firm of solicitors, was instructed to review and advise on any liabilities in relation to and values attaching to the Company's six lease/tenancy agreements. Their fees for this work was £750.

Payco ERA Ltd

- 5.7. This sub-contractor was retained to deal with the processing of the Company's 28 former employees' claims on the Redundancy Payments Service for statutory redundancy, arrears of wages, holiday pay and contractual notice pay. The fees paid to Payco ERA Ltd for this work totalled £394
- 5.8. As stated above, the value of any costs that will be incurred in concluding the liquidation will be written off.

6. Creditors' rights

- 6.1. Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor with the permission of the court may request in writing that the joint liquidators provide further information about their remuneration or expenses which have been itemised in the final account.
- 6.2. Within 14 days of receipt of the request, the joint liquidators must provide all of the information asked for, except so far as they consider that:
- the time or cost of preparation of the information would be excessive, or
 - disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - they are subject to an obligation of confidentiality in respect of the information.
- The joint liquidators are also required to give reasons for not providing all of the requested information.
- 6.3. Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may, within eight weeks of receipt of the final account make an application to court on the grounds that the basis fixed for the joint liquidators' remuneration, the remuneration charged, or the expenses incurred by the joint liquidators as set out in the final account are excessive.
- 6.4. A creditor may object to the release of the joint liquidators by giving notice in writing to the joint liquidators, by the end of the period of eight weeks from the delivery of the notice accompanying the final account. However, if any request for information or any application to court is made, the period will run until that request or application is finally determined.

7. Liabilities

Secured creditors

- 7.1. A debenture was given by the Company to Barclays Bank plc. ('Barclays') on 9 December 1992. Barclays is not a creditor of the Company and therefore the provisions of Section 176A of the Insolvency Act 1986 in relation to a prescribed part was not applied.

Preferential creditors

- 7.2. A dividend of £26,470 being 100 pence in the pound was declared and paid in October 2016 in relation to the claims of preferential creditors. This related to the Company's former employees' arrears of wages and holiday entitlements.

Unsecured creditors

- 7.3. The Company's statement of affairs of 5 February 2014 scheduled 141 creditors with potential claims totalling £1,060,561. Claims totalling £790,066 were received and adjudicated on by the joint liquidators.
- 7.4. A first and final dividend of 15.96 pence in the pound, totalling £126,130 was paid to unsecured creditors in April 2017.

Christopher Marsden
Joint Liquidator

Appendix I Receipts and payments account

	Statement of affairs £	From 05/02/2018 To 10/01/2019 £	From 05/02/2014 To 10/01/2019 £
RECEIPTS			
Goodwill (incl IPR)		0 00	8,250.00
Funds received pre appointment		0 00	143.18
Furniture & equipment	4,700.00	0.00	6,400.00
Motor vehicles	9,500.00	0 00	25,000.00
Stock	15,000.00	0 00	13,000.00
Work in progress		0 00	2,273.71
Cash at bank - NatWest Bank		0 00	3,436.48
Cash at bank - Barclays Bank	55,941.00	0 00	62,831.15
Cash in hand		0 00	9.82
Trade debtors	100,000.00	0 00	187,776.77
Insurance settlement		0 00	250 00
Business rates refund		0 00	243.66
Bank charges refund		0 00	83 83
Corporation Tax contribution		0 00	6 40
Interest gross of tax		0 00	689 81
Unclaimed dividends- ISA unclaimed dividend account		0 00	372 33
Disbursements provision		89 05	0 00
		<u>89.05</u>	<u>310,767 14</u>
PAYMENTS			
Agents' fees & expenses		0 00	18,724 49
Agents' fees & expenses (pre-liq)		0.00	1,610 00
Legal fees & expenses		0.00	750 00
Prep of Statement of Affairs (Wilkins Kennedy LLP)		0.00	11,950.00
Disbs re Statement of Affairs (Wilkins Kennedy LLP)		0.00	154.24
Corporation tax		14.26	107 82
Insurance		0.00	959.44
Postage		89.05	458.36
Statutory advertising		0 00	225.00
Specific penalty bond		0.00	185.00
Land Registry & company search fees		0.00	1.00
ISA unclaimed dividend account		372 33	372.33
Liquidators' fees		0 00	121,599.89
Category 2 disbursements		0 00	676.42
Payco ERA Ltd		0 00	393.76
National Insurance Fund		0 00	22,932.45
HM Revenue & Customs		0 00	1,056.43
Employees' holiday pay		0 00	2,480.54
Trade & expense creditors		0 00	126,129.97
		<u>475 64</u>	<u>310,767 14</u>
Net Receipts/(Payments)		<u>(386 59)</u>	<u>0.00</u>
MADE UP AS FOLLOWS			
Bank			0 00
			<u>0.00</u>

Appendix II Breakdown of time costs and category 2 disbursements

Summary of Moore Stephens time-costs from 05/02/2018 to 10/01/2019

	Partner / Director	Associate director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	0.05	0.05	12.20	0.80	13.10	2,457.50	187.60
Total hours	0.05	0.05	12.20	0.80	13.10		
Total time costs £	25.00	15.75	2,272.75	144.00		2,457.50	187.60

Summary of Moore Stephens time-costs from 05/02/2014 to 10/01/2019

	Partner / Director	Associate director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	39.10	4.25	168.40	41.00	252.75	56,807.75	224.76
Investigations	0.75	-	5.60	-	6.35	1,484.75	233.82
Realisation of assets	18.10	3.40	171.70	-	193.20	44,509.00	230.38
Creditors	10.00	1.70	114.50	-	126.20	29,480.50	233.60
Tax	3.90	0.45	27.55	-	31.90	5,874.00	184.14
Case specific matters	0.10	-	-	-	0.10	37.00	370.00
Misc	-	-	0.05	-	0.05	10.50	210.00
Total hours	71.95	9.80	487.80	41.00	610.55		
Total time costs £	32,887.00	2,904.75	97,134.75	5,277.00		138,203.50	226.36

Total remuneration drawn on account £121,599.89

Charge out rates

Rates effective from 29th-Oct-2017

Partner / Director	£440 - £550
Associate director / Manager	£275 - £400
Administrator	£110 - £245
Support staff	£110 - £180

Time charged in 3 minute unites or multiples thereof

Summary of Moore Stephens' category 2 disbursements

	Undrawn costs brought forward from previous period(s) £	This period 05/02/2018 to 10/01/2019		Cumulative 05/02/2014 to 10/01/2019	
		Costs incurred £	Costs drawn £	Costs incurred £	Costs drawn £
Car mileage				52.42	52.42
Storage				624.00	624.00
Total				676.42	676.42
Total undrawn costs to carry forward					£NIL

Category 2 disbursement rates:-

Type	Rate
Car mileage	£0.45 per mile maximum
Photocopying/printing	£0.15 per sheet
Colour photocopying	£2.50 per sheet
Fax	£0.40 per sheet
Storage - standard box	£3.90 per box per quarter (min £30 per quarter)
Room hire	£50 per hour

Appendix III SIP 9 disclosure detailing a summary of work undertaken

Statutory compliance, administration and planning

- Setting up of internal hard copy files and electronic case file on the Insolvency Practitioners System (IPS) Data input including basic details of case, assets, creditor names and addresses
- Statutory duties associated with appointment including preparation and filing of statutory documents
- Completion of bonding details on the IPS system.
- Completion of the initial IP record
- Completion of internal periodic reviews including six month and annual reviews
- Maintaining time-costs and disbursement schedules on firm's PMS system (including timesheet entries).
- General administration of case including postage and filing and company searches.
- Complying with money laundering regulations.
- Completing bill requisitions and raising invoices against time incurred in respect of work carried out and outlays incurred
- Completion of details for section 105 annual reports.

Realisation of assets

- Negotiations with various debtors in respect of recovery against the Company's outstanding debtor ledger.
- Liaison with Acasta (quantity surveyors) instructed to assist with recovery against the outstanding debtor ledger.

Negotiations with various debtors undertaken via Acasta (quantity surveyors) where complexity of the underlying contract debts have required input from quantity surveyors.
- Liaison with solicitors and counsel retained in furtherance Acasta's attempts to elicit payment/settlement proposals from contract debtors.
- Correspondence with Acasta, solicitors and counsel in relation to above

Creditors

- Updating IPS and maintaining a creditor list including recording creditor claims.
- Communications with preferential and unsecured creditors.
- Agreeing preferential and unsecured creditors' claims in the liquidation.
- Resolving proof of debt issues
- Effecting a preferential and unsecured dividend distributions.
- Liaison with Acasta (quantity surveyors) instructed to assist with the adjudication of more complex contractual claims.
- Providing creditors with impromptu updates on the progress of the liquidation.

Investigations

- SIP 2 review
- CDDA reports.

Tax

- Corporation tax returns
- VAT returns
- Capital gains tax calculations

Appendix IV Schedule of expenses incurred

Cost description	Undrawn costs brought forward from previous period(s) £	This period from 05/02/2018 to 10/01/2019		Cumulative from 05/02/2014 to 10/01/2019	
		Cost incurred £	Cost drawn £	Cost incurred £	Cost drawn £
Agents' fees & expenses	-	-	-	18,724.49	18,724.49
Agents' fees & expenses (pre-liquidation)	-	-	-	1,610.00	1,610.00
Insurance	-	-	-	959.44	959.44
Legal fees & expenses	-	-	-	750.00	750.00
Prep of Statement of Affairs (Wilkins Kennedy LLP)	-	-	-	11,950.00	11,950.00
Disbs re Statement of Affairs (Wilkins Kennedy LLP)	-	-	-	154.24	154.24
Postage	-	89.05	89.05	458.36	458.36
Statutory advertising	-	-	-	225.00	225.00
Specific penalty bond	-	8.00	-	193.00	185.00
Land Registry & company search fees	-	-	-	1.00	1.00
Payco ERA Ltd	-	-	-	393.76	393.76
Total	-	97.05	89.05	35,419.29	35,411.29
Total undrawn costs carried forward					£8.00