

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

FRIDAY



A06 \*A7CIAUJV\* #342  
17/08/2018  
COMPANIES HOUSE

### 1 Company details

Company number 0 1 5 2 0 9 7 1

Company name in full Innovate Space Limited

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

### 2 Liquidator's name

Full forename(s) Michael

Surname Finch

### 3 Liquidator's address

Building name/number Suite 17, Building 6

Street Croxley Park

Post town Hatters Lane

County/Region Watford

Postcode W D 1 8 8 Y H

Country

### 4 Liquidator's name ①

Full forename(s) Jeremy

Surname Willmont

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

### 5 Liquidator's address ②

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.

LIQ03

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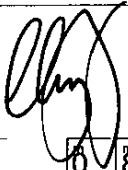
**6** Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 6	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7
To date	<sup>d</sup> 1	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature	Signature <b>X</b> 	<b>X</b>						
Signature date	<sup>d</sup> 1	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8

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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 **Moore Stephens LLP**

Address **Suite 17, Building 6  
Croxley Park**

Post town **Hatters Lane**

County/Region **Watford**

Postcode **W D 1 8 8 Y H**

Country

DX

Telephone **+44 (0)1923 236622**



**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)**

## Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ①  
Attach this to the relevant form. ①  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
  
All fields are mandatory unless specified or indicated by \*

### 1 Appointment type

Tick to show the nature of the appointment:

- ☐ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☒ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:  
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7  
- CVA1, CVA3, CVA4  
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25  
- REC1, REC2, REC3  
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15  
- COM1, COM2, COM3, COM4  
- NDISC

### 2 Insolvency practitioner's name

Full forename(s) Emma  
Surname Sayers

### 3 Insolvency practitioner's address

Building name/number 150 Aldersgate Street  
Street London  
Post town EC1A 4AB  
County/Region  
Postcode  
Country

**Innovate Space Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 16/07/2017 To 15/08/2018 £	From 16/07/2016 To 15/08/2018 £
ASSET REALISATIONS		
15,000.00 Cash in hand	NIL	10.96
Trade debtors	NIL	60,974.70
VAT repayment	NIL	4,881.34
	<u>NIL</u>	<u>65,867.00</u>
OTHER REALISATIONS		
Interest gross of tax	44.05	52.44
	<u>44.05</u>	<u>52.44</u>
COSTS OF REALISATION		
Agent's fees & expenses - Administrati	NIL	6,067.35
Agent's fees & expenses	3,946.05	4,491.60
	<u>(3,946.05)</u>	<u>(10,558.95)</u>
COSTS OF ADMINISTRATION		
Balance of former administrators' fees	NIL	15,627.90
Bank charges	0.74	0.74
Corporation tax	8.17	8.17
Telephone	NIL	30.82
Postage	NIL	270.95
Statutory advertising	NIL	77.00
Specific penalty bond	NIL	185.00
Land registry & company search fees	NIL	27.00
Liquidators' fees - fixed fee	12,500.00	12,500.00
	<u>(12,508.91)</u>	<u>(28,727.58)</u>
<b>15,000.00</b>	<b><u>(16,410.91)</u></b>	<b><u>26,632.91</u></b>
REPRESENTED BY		
Bank current a/c		26,632.91
		<b>26,632.91</b>

Emma Sayers  
Joint Liquidator

Strictly Private & Confidential

**INNOVATE SPACE LIMITED**  
**(IN LIQUIDATION)**  
**("THE COMPANY")**

Progress report to the members and creditors for the period 16 July 2017 to 15 July 2018 pursuant to Rules 18.3 and 18.7 of The Insolvency (England and Wales) Rules 2016

14 August 2018

# Contents

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5. Joint liquidators' expenses
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7. Liabilities

## Appendices

- Appendix I    Receipts and payments account
- Appendix II    Examples of work undertaken in a liquidation
- Appendix III    Schedule of expenses incurred

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

Michael Finch, Jeremy Willmont and Emma Sayers are authorised in the UK to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales. All work is conducted in accordance with the Insolvency Code of Ethics. The Office Holders are Data Controllers of Personal Data, as defined by the Data Protection Act 1998, General Data Protection Regulation or other prevailing data protection legislation in the United Kingdom. Moore Stephens LLP will act as Data Processor on the instructions of the Data Controller. Personal Data will be kept secure and processed only for matters relating to the insolvency appointment. This applies both before and after the appointment. For further information on how Moore Stephens LLP complies with data protection law please refer to the privacy notice here: [www.moorestephens.co.uk/pages/llplegal/privacy-notice](http://www.moorestephens.co.uk/pages/llplegal/privacy-notice).

# 1. Statutory information

Company name:	Innovate Space Limited
Company number:	01520971
Registered office:	Suite 17, Building 6 Croxley Park Hatters Lane Watford WD18 8YH
Date of appointment:	16 July 2016
Joint liquidators:	Michael Finch Emma Sayers Jeremy Willmont (from 6 July 2018)
Joint liquidators' address:	Suite 17, Building 6 Croxley Park Hatters Lane Watford WD18 8YH

## 2. Progress to date

- 2.1. As you are already aware, the appointment of Michael Finch and Emma Sayers on 16 July 2016 followed the cessation of the administration of the Company and the conversion of the insolvency process to creditors' voluntary liquidation.
- 2.2. On 6 July 2018, Jeremy Willmont was appointed joint liquidator and third office holder.
- 2.3. As per the receipts and payments account attached in Appendix I no assets have been realised during the period of this report save for interest gross of tax in the sum of £44.05.

### *Trade debtors*

- 2.4. As previously advised, the services of Leslie Keats, an independent firm of quantity surveyors, had been retained by the former joint administrators and their continued involvement with the realisation of the Company's contract debts was confirmed by the joint liquidators, following their appointment.
- 2.5. At the time of the Company entering liquidation, the book value of its outstanding contract debts stood at £1,027,000. Leslie Keats provided their opinion as to estimated realisation values of the ledger at £170,000 and £650,000 on worst and best case bases.
- 2.6. No realisations have been achieved in the period reported.
- 2.7. £626,000 of the outstanding ledger relates to one development project contract that Leslie Keats have confirmed to be very complex and their negotiations with the contract employer's quantity surveyor remain on-going.
- 2.8. There are no other assets that remain unrealised.



### 3. Investigations

- 3.1. As previously reported, 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.
- 3.2. As previously advised, the joint liquidators have taken delivery of the Company's hard copy books and records as well as data recovered and delivered up in electronic format. A detailed review and analysis of all the available data has been undertaken. Further enquiries have been made of the Company's former professional advisers in relation to the transactions entered into by the Company prior to the liquidation with a view to identifying any potential claims against third parties which may exist.
- 3.3. The joint liquidators' enquiries and investigations in this regard are on-going. I am unable to provide any further information at this time as doing so could prejudice any claims the joint liquidators might have against third parties in relation to the transactions.

### 4. Joint liquidators' remuneration

- 4.1. The remuneration of the joint liquidators has been fixed by resolution of the Liquidation Committee on 2 December 2016, as follows:
- A fixed fee of £15,000 plus VAT in relation to statutory compliance, administration and planning in accordance with Rule 4.127(2)(c) of the Insolvency Rules 1986 and that this be paid in advance by annual instalments of £5,000 plus VAT per annum and pro rated accordingly should the liquidation be concluded within three years;
  - 25% of the realisation of the debt due in relation to the Weybridge contract plus VAT but net of any mortgage, fixed charge or hire purchase and gross of realisation costs, excluding any realisations recovered as a result of investigations, in accordance with Rule 4.127(2)(a) of The Insolvency Rules 1986;
  - 7.5% of the realisation value of all current known book debts (save from the debt due in relation to the Weybridge contract) plus VAT recovered and/or settled by Leslie Keats, quantity surveyors, appointed by the joint liquidators to assist with the recovery of such assets, excluding any realisations recovered as a result of investigations, but net of any mortgage, fixed charge or hire purchase and gross of realisation costs in accordance with Rule 4.127(2)(a) of The Insolvency Rules 1986;
  - 15% of the realisation value of all currently unknown book debts (save from the debt due in relation to the Weybridge contract) plus VAT recovered and/or settled by Leslie Keats, quantity surveyors, appointed by the joint liquidators to assist with the recovery of such assets, excluding any realisations recovered as a result of investigations, but net of any mortgage, fixed charge or hire purchase and gross of realisation costs in accordance with Rule 4.127(2)(a) of The Insolvency Rules 1986;
  - 25% of the realisation of all other assets, plus VAT but net of any mortgage, fixed charge or hire purchase and gross of selling costs, excluding any realisations recovered as a result of investigations, in accordance with Rule 4.127(2)(a) of The Insolvency Rules 1986,
  - 50% of the realisations recovered as a result of investigations, plus VAT and gross of legal fees and expenses, conducted in accordance with Rule 4.127(2)(a) of The Insolvency Rules 1986; and

- 12.5% of the total value of assets distributed to creditors plus VAT in accordance with Rule 4.127(2)(a) of The Insolvency Rules 1986.

- 4.2. Examples of work which may be undertaken in a liquidation is attached at Appendix II.
- 4.3. Work undertaken during the period of the report primarily relates to liaising with Leslie Keats in relation to the contract debtors as well as time given to the investigation work detailed in paragraphs 3.2 and 3.3 above.
- 4.4. In addition, we have dealt with all statutory matters and administrative work in relation to the liquidation as either required by legislation or necessary to perform the basic duties of a liquidator.
- 4.5. During the period, there have been no realisations in any class of asset. Cumulative asset realisations total £65,867.00. Therefore, in addition to the fixed fee, referred to at paragraph 4.6 below, we are entitled to receive remuneration of £9,880.00.
- 4.6. During the period reported, £12,500.00 has been drawn in respect of the remuneration of the joint liquidators, as part payment of the agreed fixed fee of £15,000.00 plus VAT.
- 4.7. In addition to time that will be given to our on-going investigations work and working with Leslie Keats towards the realisation of the Company's contract debts, time will be given, in due course, to drafting and issuing a final account and seeking the joint liquidators' release.
- 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 period has been detailed in Appendix III.
- 5.2. A payment of £3,946.05 has been made to Leslie Keats in relation to commission due on recoveries of £26,307.03 that were received to the liquidation estate in the previous period.
- 5.3. Further payments will fall due to Leslie Keats in relation to further recoveries received during the period of liquidation.
- 5.4. Eversheds Sutherland, solicitors, have been retained in respect of the investigation work being undertaken as referred to at 3.2 above. In this regard, in the period reported, legal fees have accrued in the sum of £4,870.50.
- 5.5. The only other expenses incurred in the period reported relate to postage (£72.14), Land Registry search fees (£9.00) and catering (£4.00).

## 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 (including the creditor in question) 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 progress report.

- 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 this progress report 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 progress report are excessive.

## 7. Liabilities

### *Secured creditors*


- 7.1. There are two secured creditors.
- 7.2. The Company provided a debenture to National Westminster Bank plc on 16 January 2003. As this charge pre-dates 15 September 2003, the provisions of the prescribed part as detailed in Section 176A of the Insolvency Act 1986 do not apply.
- 7.3. The sum outstanding to National Westminster Bank plc at the time the Company entered administration was £211,500.
- 7.4. A further fixed and floating charge given by the Company to Gable Insurance AG on 14 April 2014 is currently shown at Companies House as being outstanding. It is understood that this charge related to a performance bond that was released on 30 March 2016. Accordingly, no sum is due to Gable Insurance AG.

### *Preferential creditors*

- 7.5. I am not aware of any preferential creditors.

### *Unsecured creditors*

- 7.6. According to the Company's statement of affairs dated 1 June 2016, the level of debt outstanding to its 129 unsecured creditors stood at £1,222,541. To date, claims from 67 unsecured creditors totalling £1,982,139 have been received.
- 7.7. Based on current information, the prospect of a dividend becoming available to the unsecured creditors remains remote. However, prospects may change depending upon positive progress being made in relation to the collection of its contract debts and any realisations achieved from the investigations referred to at paragraphs 3.2 and 3.3 above.

  
Emma Sayers  
Joint Liquidator

**Appendix I Receipts and payments account**

	Statement of affairs £	From 16/07/2017 To 15/07/2018 £	From 16/07/2016 To 15/07/2018 £
<b>RECEIPTS</b>			
Cash in hand		0.00	10.96
Trade debtors	15,000.00	0.00	60,974.70
VAT repayment		0.00	4,881.34
Interest gross of tax		44.05	52.44
		<u>44.05</u>	<u>65,919.44</u>
<b>PAYMENTS</b>			
Agent's fees & expenses - Administration		0.00	6,067.35
Agent's fees & expenses		3,946.05	4,491.60
Balance of former administrators' fees		0.00	15,627.90
Bank charges		0.37	0.37
Telephone		0.00	30.82
Postage		0.00	270.95
Statutory advertising		0.00	77.00
Specific penalty bond		0.00	185.00
Land registry & company search fees		0.00	27.00
Liquidators' fees - fixed fee		12,500.00	12,500.00
		<u>16,446.42</u>	<u>39,277.99</u>
Net Receipts/(Payments)		<u>(16,402.37)</u>	<u>26,641.45</u>
<b>MADE UP AS FOLLOWS</b>			
Bank current a/c			26,641.45
			<u>26,641.45</u>

## **Appendix II - Examples of work undertaken in a liquidation**

### **Innovate Space Limited (In Creditors' Voluntary Liquidation)**

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Examples of the work which may be undertaken, but which is not limited to, include:

#### *Statutory compliance, administration and planning*

- Setting up and maintenance of internal hard copy files and case file on the Insolvency Practitioners System (IPS)
- Data input including basic details of case, assets, creditor names and addresses and employee names and addresses
- Obtaining specific penalty bond
- Setting up of liquidation bank account including inputting details on the IPS system
- Preparation and filing (with the Registrar of Companies) of various statutory forms including statement of affairs, change of registered office form, notice of appointment and the resolution to wind up
- Advertisement of notice of appointment, resolution to wind up and the notice to creditors to claim in The Gazette
- Notification to the Registrar of Companies of the formation of a liquidation committee (if applicable)
- Convening and holding meetings of members and creditors
- Holding meetings and reporting to the liquidation committee (if applicable)
- Letters to directors regarding the provisions of sections 216 and 217 of Insolvency Act 1986, enclosing directors questionnaires
- Obtaining approval for the basis of fees from creditors
- Initial notification to HM Revenue & Customs
- Enquiries as to any pension schemes and the auto-enrolment staging dates and subsequent notification of appointment (if applicable)
- Preparation and filing (with the Registrar of Companies, Land Registry and all persons claiming an interest in the property) of notices of disclaimer in relation to leasehold premises
- Preparation and distribution of progress reports to members and creditors
- Preparation and submission of statutory receipts and payments accounts
- General administration of case including case planning and strategy
- Completion of internal reviews including asset realisation review, 6 month review and annual reviews
- Collection, preservation and review of the Company's book and records
- Review of the Company's redirected post
- Completion of the internal investigation checklist
- Written and verbal communications with the unsecured creditors
- Written and verbal communication with employees
- Dealing with lease and hire purchase creditors in conjunction with our agents
- Making enquiries with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- Review of creditor questionnaires and other information received in relation to the affairs of the Company
- Review of director questionnaires
- Preparation of liquidators' submission on the actions of the directors to the disqualification unit of the Department for Business, Energy & Industrial Strategy
- Correspondence with compliance department in respect of on-going case issues/matters.
- Complying with money laundering regulations

## **Appendix II continued**

- Completing bill requisitions and raising invoices against time incurred in respect of work carried out and outlays incurred
- Reconciliation of post appointment bank accounts to the liquidation records
- Maintaining time-costs and disbursement schedules on firm's PMS system (including timesheet entries)
- Dealing with pension issues
- Arrangement and review of insurance policies in relation to the Company's assets
- Preparation and submission of corporation tax returns
- Preparation and submission of VAT returns
- Chargeable gains tax calculations
- Closure formalities

### *Asset realisations*

- Identifying, securing and insuring the assets
- Instructing agents to value assets
- Liaising with agents regarding the realisation of assets
- Liaising with solicitors regarding the realisation of assets
- Liaising with secured creditors regarding the realisation of charged assets
- Liaising with pre-appointment bankers regarding the closure of the Company's bank accounts
- Dealing with retention of title claims in conjunction with our agents
- Written and verbal correspondence with debtors
- Monitoring and collection of outstanding debtors, retentions and work in progress
- Property, business and asset sales
- Tax reclaims
- Review of interest rate hedging products

### *Investigations*

- Making enquiries with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- Instructing solicitors in relation to investigations
- Forensic accounting
- Review of Company's bank statements
- Further review of the Company's book and records
- Review of director/creditor questionnaires
- Land Registry and Companies House searches
- Consideration of legislation relating to, but not limited to, wrongful trading, fraudulent trading, antecedent transactions, preferences, transactions at undervalue

### *Distributions to creditors*

- The processing and submission of the relevant forms to the Redundancy Payments Directorate.
- Processing of creditors' proof of debt forms and entering onto IPS system
- Liaising with agents in relation to the agreement of creditor claims
- Liaising with solicitors in relation to contentious proof of debt forms
- Agreement of creditors' claims (including employees and other preferential creditors)
- Calculation and payment of dividends
- Preparation of distribution paperwork including the notice of declaration

## Appendix III - Breakdown of expenses

### Innovate Space Limited (In Liquidation)

Cost Description	Undrawn costs brought forward from previous period(s) £	This period 16/07/2017 to 15/07/2018		Cumulative 16/07/2016 to 15/07/2018	
		Costs incurred £	Costs drawn £	Costs incurred £	Costs drawn £
Agents fees & expenses	-	3,946.05	3,946.05	4,491.60	4,491.60
Legal fees & expenses	-	4,870.50	-	4,870.50	-
Telephone	-	-	-	30.82	30.82
Postage	-	72.14	-	343.09	270.95
Statutory advertising	-	-	-	77.00	77.00
Specific penalty bond	-	-	-	185.00	185.00
Land registry fees	-	9.00	-	36.00	27.00
Catering	-	4.00	-	4.00	-
Total		8,901.69	3,946.05	10,038.01	5,082.37
Total undrawn costs to carry forward					4,955.64

#### Summary of professional services

##### Professional advisor

Leslie Keats

Eversheds Sutherland

##### Nature of work

Chartered Surveyors

Legal advice

##### Fee arrangement

Fixed - 15% of recoveries plus VAT

Conditional Fee Agreement (proposed)

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

+44 (0)1923 236622

08/04/17

MOORE STEPHENS