

Bricks Newco Limited – in Members’ Voluntary Liquidation

Progress report to Members pursuant to Section 92A of The Insolvency Act 1986 and Rule 18.7 of The Insolvency (England and Wales) Rules 2016 for the Period from 20 December 2023 to 19 December 2024

Issued On: 12 February 2025

INTRODUCTION

Bricks Newco Limited (Entity) entered members’ voluntary liquidation on 20 December 2023. Steven Sherry and Emma Cray were appointed joint liquidators of the Entity (Liquidators).

This report covers the conduct and progress of the liquidation in the period from 20 December 2023 to 19 December 2024 (Period).

A summary of receipts and payments for this Period is at Appendix A.

The statutory information relating to the Entity and the Liquidators is at Appendix B.

REPORT ON THE LIQUIDATION

Realisation of assets:

The below table shows the assets listed on the Directors’ Declaration of Solvency as at 16 November 2023, together with a summary of the assets dealt with by the Liquidators in the Period.

Asset	Declaration of Solvency Estimated to realise £	Liquidation assets dealt with in the Period £
Cash at bank	2,228,548	2,263,811
Bank Interest	-	21,032
VAT refund	-	4,293
Total	2,228,548	2,289,135

Cash at bank

Following the appointment of Liquidators, the Entity’s cash at bank in the sum of £2,263,811 was transferred to a bank account operated by the Liquidators. The difference in the amount realised compared to the amount stated in the Declaration of Solvency is due to transactions through the bank account in the intervening period.

Bank Interest

In the Period, gross interest of £21,031.68 was earned on cash held in the Entity’s liquidation bank account.

VAT refund

In the Period, the Liquidators submitted a VAT 427 claim for input tax relief from VAT on cancellation of the Entity’s VAT registration in respect of invoices paid by the Entity pre-liquidation, in the period from 1 November 2023 to 19 December 2023. HM Revenue & Customs issued a full refund on the £4,292.82 claimed.

The Liquidators have not identified any additional assets of the Entity and the Liquidators are not aware of any other assets that remain to be realised.

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Settlement of liabilities:

The Directors’ Declaration of Solvency indicated that the Entity had an outstanding liability of £25,500 upon entering liquidation, relating to professional services provided to prepare the Entity for liquidation. In the Period, PricewaterhouseCoopers LLP was paid £21,065 plus VAT for such services.

Following their appointment, the Liquidators published a notice in the London Gazette inviting creditors to submit details of claims they may have against the Entity.

The Liquidators also wrote to certain parties identified as having issued prior proceedings against the Entity pre-liquidation, inviting them to submit a proof of debt, but also explaining that a third party had assumed responsibility to deal with all of the Entity’s valid liabilities when it purchased the Entity’s business and assets in June 2023. As a result the Entity has been removed as named Defendant in all known Court proceedings issued against it and all parties who received the above appointment notice have confirmed that they do not have a claim against the Entity.

The Liquidators separately received a claim submitted on behalf of c. 195 claimants in relation to an Employment Tribunal case which had been heard and dismissed pre-liquidation. The Liquidators rejected this claim which was appealed by the claimant in July 2024. Following independent legal advice from Stewarts Law the appeal was subsequently dismissed by consent on 10 September 2024 and no further action has been taken or claim received.

Link Market Services Limited was paid £3,650.06 plus VAT together with statutory interest in the sum of £79.46 in respect of Registrar services provided for and billed prior to the appointment of liquidators.

On 20 November 2024, the Liquidators received a claim in the sum of £25,320 in respect of services purportedly provided by a third party in the pre-liquidation period. The Liquidators have asked the third party for more information in order to validate their claim.

On 27 November 2024, the Environment Agency issued an Enforcement Notice against the Entity in relation to the Energy Saving Opportunity Scheme. The Liquidators are liaising with the General Regulatory Chamber and Environment Agency regarding the Enforcement Notice, and potential obligations and liabilities relating to the same.

HM Revenue & Customs (“HMRC”):

Following their appointment, the Liquidators wrote to HMRC to inform them of the liquidation and to request details of any outstanding liabilities.

In the Period, the Entity’s VAT Group was disbanded with effect from 1 November 2023 and the Entity’s pre-liquidation tax advisers, Grant Thornton, submitted the final pre-liquidation corporation tax returns for FY23 and the FY24 stub period to the date of liquidation.

The Liquidators received a penalty notice for £100 from HMRC for late delivery of the Entity’s FY23 corporation tax returns. The penalty was paid in the Period and the Liquidators are in the process of agreeing statutory interest in respect of the penalty paid.

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Distributions to Members:

No distributions were made during the Period. A distribution will be made once the outstanding claims above have been resolved.

LIQUIDATORS’ FEES AND EXPENSES

Basis of remuneration

The basis of the Liquidators’ remuneration has been fixed by reference to the time properly given by them and their staff in dealing with the liquidation, in accordance with a resolution dated 20 December 2023. Time costs have been calculated at the prevailing standard hourly charge-out rates used by PricewaterhouseCoopers LLP at the time when the work was performed, plus VAT.

Liquidators’ fees

The Liquidators’ time costs incurred the Period totalled £88,865.15, made up of 120.48 hours at an average charge out rate of £748.61 per hour across all grades of staff. The Liquidators have drawn remuneration of £82,404 plus VAT in the Period.

A detailed breakdown of the Liquidators’ time costs during the Period, together with details of applicable charge-out rates, is provided at Appendix C.

Liquidators’ expenses¹

In the Period, the Liquidators incurred the following expenses (net of VAT) in connection with the liquidation of the Entity.

Category 1 expense	Incurred in the Period £	Paid in the Period £
Legal fees - Lewis Silkin LLP	1,120.00	1,120.00
Legal fees - Stewarts Law	35,288.50	25,800.00
Registrar fees	18,250.30	18,250.30
Website domain hosting	4,120.00	4,120.00
Statutory advertising	292.00	292.00
Statutory bond	225.00	225.00
Courier	30.00	30.00
Total	59,325.80	49,837.30

¹ Category 1 expenses represent specific expenditure incurred directly in respect of the liquidation and payment has been to independent third parties. Category 2 expenses represent directly referable costs where payment is not to an independent third party.

There were no Category 2 expenses in the Period

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Members' rights regarding the Liquidators' remuneration and expenses

Any member of the Entity with permission of the court or members of the Entity with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the entity (or permission of the court) are entitled to request further information about our fees and expenses. Such requests need to be made within 21 days of receipt of this report. See Rule 18.9 of the Insolvency (England and Wales) Rules 2016 for further detail.

Any member of the Entity with permission of the court or members of the Entity with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the entity (or permission of the court) are entitled to claim by way of court application that the liquidators' fees and expenses are excessive. Such applications need to be made within 8 weeks of the receipt of this report. See Rule 18.34 of the Insolvency (England and Wales) Rules 2016 for further detail.

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APPENDIX A

Abstract of Receipts and Payments in the liquidation during the period from 20 December 2023 to 19 December 2024

	From 20 December 2023 To 19 December 2024 £
RECEIPTS	
Cash at bank	2,263,810.54
Bank Interest	21,031.68
Input VAT refund	4,292.82
Total	2,289,135.04
PAYMENTS	
Pre-liquidation advisory fees	21,065.00
Office holders' fees	82,404.00
Office holders' expenses	547.00
Legal fees and expenses	26,920.00
Registrar fees	18,250.30
Website domain hosting	4,120.00
Tax penalty	100.00
Unsecured creditors	3,650.06
Statutory interest	79.46
Total	157,135.82
DISTRIBUTIONS	
Shareholders	-
Total	-
TOTAL BALANCE	2,131,999.22

Notes:

1. Cash funds are held in an interest bearing bank account controlled by the Entity.
2. The above Receipts and Payments account details cash receipts and payments only. It does not include any non-cash assets, sums settled in cash by third parties, or assets distributed in specie. Please see the assets, liabilities and distributions sections in the main body of the report for details on how the Liquidators dealt with the Entity's non-cash assets and liabilities.

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APPENDIX B

Information on the Entity and the Liquidators

Entity Details

Entity’s registered name:	Bricks Newco Limited
Entity’s registered number:	08047368
Postal address of principal place of business	First Floor 1 Cranmore Drive, Shirley, United Kingdom, Solihull, B90 4RZ

Liquidators’ Details

Liquidators’ names:	Steven Sherry and Emma Cray
Liquidators’ postal address:	7 More London Riverside, London SE1 2RT
Liquidator’ email:	steven.a.sherry@pwc.com emma.cray@pwc.com
Nature of appointment:	Members’ voluntary liquidation

Steven Sherry and Emma Cray have been appointed as Joint Liquidators of the Entity to manage its affairs, business and property as its agents and without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Liquidators are controllers of personal data as defined by the Data Protection Act 2018. PricewaterhouseCoopers LLP will act as processor on their instructions. Personal data will be kept secure and processed only for matters relating to the Members’ Voluntary Liquidation.

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APPENDIX C

Liquidators remuneration during the period from 20 December 2023 to 19 December 2024

Time costs:

Classification of work	Hours					Total	Total	Average
	Partner	Senior Manager	Managers	Senior Associates	Associate	Hours	Cost	Hourly rate
Administration & planning		3.8	1.8	30	6.5	42.1	23,754.50	564.24
Immediate post appointment		9		4.55		13.55	10,214.50	753.84
Reporting/liaison with client		2.5	0.1	0.25		2.85	2,384.75	836.75
Creditors / liabilities	5.25	14.2		3.05		22.55	19,185.25	850.79
Disputes and litigation	5.3	13.4		0.5	0.43	19.63	17,325.90	882.62
Statutory & compliance	1.25	2.8		2		6.05	4,887.25	807.80
Tax & tax dept liaison		5.3		1.8		7.1	5,567	784.08
Distributions and closure procedures		5		2.15		7.15	6,810.5	952.51
Total	11.8	56	1.9	43.85	6.93	120.48	90,192.65	748.61

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Charge out rates:

The standard hourly charge out rates applicable to the partners and staff in the Restructuring and Forensics department of PricewaterhouseCoopers LLP during the liquidation are noted below.

From 1 July 2024 to 30 June 2025

Grade	£ / hr
Partners	995
Senior Manager	860
Managers	730
Senior Associates	540
Associates	395

From 1 July 2023 to 30 June 2024

Grade	£ / hr
Partners	980
Senior Manager	860
Managers	730
Senior Associates	515
Associates	375

Appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work and the financial value of the assets being realised and/or claims agreed.

All time is charged in six minute increments.