

**THE INSOLVENCY ACT 1986****In the Manchester District Registry****2473 of 2017****In the matter of****STORE FIRST LIMITED IN LIQUIDATION**

Company Registered Number: 07463355

The winding up order by consent in the public interest was made on 30 April 2019, following a petition presented on 11 May 2017 for the winding up of the Company by the Secretary of State of Business, Energy and Industrial Strategy ("the Secretary of State"). Winding up orders were also made on the same date against the associated companies SFM Services Limited, Store First Limited and Store First St Helens Limited.

This is my report to creditors and contributories under Rule 7.48 of the Insolvency (England and Wales) Rules 2016.

**Prospect of a dividend payment**

The information below in relation to assets and debts indicates that there is a prospect of money being returned to creditors.

Any payment made to creditors is dependent on the value of the assets realised and the costs of the proceedings. The Official Receiver's standard costs are attached at Annex A.

I am presently aware of the following assets and liabilities.

**ASSETS**

	Estimated to realise £
Freehold/leasehold titles & associated assets (Note a)	2,682,957
Business Rates refund (Note b)	68,931
Ground Rental Income (Note c)	445,448
Rental Income from pods (Note c)	48,783
Shares	1,000
Utility bill refund	942
Possible recoveries (Note d)	Unknown
<b>Estimated total assets available for creditors</b>	<b>3,248,061</b>

**LIABILITIES**

HM Revenue & Customs (Note e)	17,291,079
Financial Conduct Authority (Note f)	3,550,000
Trade and expense (Note g)	12,265,233

**Estimated deficiency as regards creditors**

Issued and called up capital

**Estimated total deficiency as regards members**

29,858,251
1
29,858,252

## Notes:

- (a) I marketed the Company's assets and received interest from several parties. Following further discussions with these parties I sold the Company's interest in the sites, associated assets and the goodwill of the Company's business for £2,682,957. The total amount has been received by me.
- (b) The above sale of assets did not include potential business rates refunds due to the Company as a result of a Business Rates defragmentation exercise commenced prior to the liquidation. To date refunds of £68,931 have been received. I am continuing to liaise with local authorities regarding refunds and further refunds are expected. However, there is presently insufficient available information to estimate the value of these refunds.
- (c) Prior to the sale I received ground rent and rental income in respect of unsold pods within the sites. I have received ground rent totalling £445,448 and rental income of £48,783. No further sums are due to the estate.
- (d) I have identified possible recoveries in respect of payments which were made following the presentation of the petition, my enquiries into these matters are continuing.
- (e) The Company directors have stated that they dispute HM Revenue & Custom's liability. My enquiries into this matter are continuing.
- (f) The Financial Conduct Authority have contacted me regarding their potential claim in relation to a car parking investment scheme developed at the Store First Glasgow site. My enquiries into this matter are continuing.
- (g) This total includes amounts owed to companies which have a connection to the Company. My enquiries into these transactions are continuing

**Director Details**

Information held by the Registrar of Companies shows the following details for directors of the company:

<b>Name</b>	<b>Appointed</b>	<b>Resigned</b>
Ruth Margaret Almond	04 March 2015 31 March 2016	30 April 2015 30 April 2019
John Slater	02 July 2012	-
Leanne Gregson	10 April 2012	-
Richard John Gahan	19 July 2011	31 March 2016
Toby Scott Whittaker	08 December 2010	-

**About this Company**

The company was incorporated on 08 December 2010.

The last registered office was at Group First House, Mead Way, Padiham, Lancs, BB12 7NG.

Store First Limited commenced trading in 2011 acquiring and developing properties to be used for the self-storage business. Store First Limited had storage sites at 14 locations, Blackburn, Burnley, Rochdale, Barnsley, Liverpool, Ellesmere Port, Wakefield, Glasgow, Preston, Derby, Leeds, Manchester and Northampton. Store First Limited entered an agreement with SFM Services Limited to manage the sites on a day-to-day basis. The properties incorporated individual storage units, known as store pods, which were sold as investments to individuals and pension schemes. SFM Services Limited entered into agreements with pod owners to manage lettings on their behalf. On 01 April 2017 SFM Services Limited subcontracted its role to Pay Store Limited.

On 11 May 2017 the Secretary of State presented a petition for Store First Limited to be wound up on public interest grounds. Store First Limited initially defended the petition but on 30 April 2019 the Secretary of State and Store First Limited agreed by consent for Store First Limited to be wound up on public interest grounds.

Mr Whittaker has stated that the Company decided not to contest the proceedings further to enable a deal to allow the business of the Company to continue.

Following the winding up order the Official Receiver was appointed as liquidator of the Company. In order to achieve the best price for the sale of the assets, the Official Receiver entered into a license agreement with an associated company for them to continue to operate the storage sites whilst the Official Receiver marketed the sites and associated assets for sale. Following this marketing exercise and subsequent bidding process, the assets of the Company were sold on 11 December 2019.

## **Managing the Liquidation**

This office is dealing with the Company. As Official Receiver, I am the liquidator of the company responsible for realising any assets and distributing any funds to creditors.

## **Investigating the cause of the insolvency**

As Official Receiver, I continue to be responsible for investigating the cause of the insolvency, including any business dealings and affairs, and reporting on the conduct of the directors. If you have any information that may assist me in these duties please send to the address below.

Possible breaches of the insolvency legislation may be reported directly to me or by using the Insolvency Service's 24 hour hotline on 0300 678 0017.

## **Keeping you informed**

Given the estimated level of assets above I anticipate that, as liquidator, I will be in contact with you again regarding a possible payment to creditors.

Further information about insolvency procedures is available at [www.gov.uk/insolvency-service](http://www.gov.uk/insolvency-service)

1. I will be pleased to receive from creditors useful information concerning the company, its dealings or property, together with particulars of any written or oral statement made in connection with its financial position, and to consider suggestions as to matters for further explanation or enquiry. Please see attached information sheet. Such information should be notified to me, in writing at the address shown below.

2. Further information about The Insolvency Service and the role of the Official Receiver is contained in the booklet "A Guide for Creditors" (available on request) and on The Insolvency Service's website at [www.insolvency.gov.uk](http://www.insolvency.gov.uk)
3. Possible breaches of the insolvency legislation may be reported directly to me or by using The Insolvency Service's 24-hour hotline on 0845 6013546.

Date 20 December 2019

**Anthony Hannon**

**Official Receiver**

Public Interest Unit, PO Box 16663, BIRMINGHAM, B2 2JP

## Annex A

### **Statement of Fees**

(for Winding-Up Orders made on petitions lodged on or after 21st July 2016)

<b>Fee Rate</b>	<b>Fee</b>
Company administration fee (Public Interest petition)	£7,500
General fee charged on all cases	£6,000
Liquidator Fee <sup>1</sup>	15%

<sup>1</sup>The liquidator fee above is an uncapped realisation fee that will only be charged when assets are realised by the Official Receiver as liquidator. It is not charged if a liquidator other than the Official Receiver realises assets.

### **Additional Fees**

1. In addition to the above fees, direct costs related to the insolvency estate will be charged against the estate.
2. If the Official Receiver, as liquidator, issues a dividend payment to creditors there will be an additional fee. This is currently:

Creditors	Fee
1 – 10	£366
11 – 20	£452.40
21– 30	£573.60
Over 31	£660.00

3. Advertisements for dividend payments are not covered by the administration fee and are also charged to the estate.
4. Creditors may wish to note that if a liquidator other than the Official Receiver is appointed, their approved professional fees, and any costs and disbursements they incur, will additionally need to be met from the insolvent estate.