

Section 106

Return of Final Meeting in a
Creditors' Voluntary Winding UpPursuant to Section 106 of the
Insolvency Act 1986

To the Registrar of Companies

S.106

Company Number

00034239

Name of Company

Brintons Limited

I/We G P Squires
The Zenith Building
26 Spring Gardens
Manchester
M2 1ABA C O'Keefe
The Zenith Building
26 Spring Gardens
Manchester
M2 1AB

Note: The copy account must be
authenticated by the written signature(s)
of the Liquidator(s)

1 give notice that a general meeting of the company was duly held on 27 February 2014 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been disposed of, and that no quorum was present at the meeting.

2 give notice that a meeting of the creditors of the company was duly held on 27 February 2014 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and that the same was done accordingly

The meeting was held at Zolfo Cooper, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB

The report covers the period from 02/12/2011 (commencement of winding up) to 27/02/2014 (close of winding up)

The outcome of the meeting (including any resolutions passed at the meeting) was as follows

- 1) To accept the Joint Liquidators' final report and account
- 2) To approve the Joint Liquidators' release from office

Signed



Date

27 February 2014

Zolfo Cooper
The Zenith Building
26 Spring Gardens
Manchester
M2 1AB

Ref 10246-001/MMCD/JEC/SOL/MTA/MAN

TUESDAY



A17

A32YTCUW

04/03/2014

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COMPANIES HOUSE

Brintons Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 2 December 2011 To 27 February 2014

S of A £	£	£
FLOATING REALISATIONS		
Sundry receipts	141 04	
Surplus from Administration	630,859 35	
Contribution to Notary fees	726 00	
Bank Interest Gross	2,626 29	
Contribution from BCL	12,049 25	
Contribution from PPF	87,807 00	
		734,208 93
FLOATING COSTS		
Bordereau Costs	420 00	
Joint Liquidator' Fees	123,803 00	
Legal Fees	14,229 21	
Category 2 disbursements	569 90	
Professional fees - Payco	546 28	
Telephone Telex & Fax	9 83	
Stationery & Postage	5,800 80	
Company Search	192 00	
Storage Costs	115 28	
Statutory Advertising	320 33	
Notary fees	700 00	
Bank Charges	12 10	
		(146,718 73)
FLOATING CHARGE CREDITORS		
Floating Charge Creditor	2,317 01	
		(2,317 01)
UNSECURED CREDITORS		
Unsecured creditors, 0 98p/£ 10/06/13	584,415 47	
Unclaimed dividends	757 72	
		(585,173 19)
		<u>0 00</u>
REPRESENTED BY		
Current account		0 00
		<u>0.00</u>



Anne O'Keefe
Joint Liquidator

**Joint Liquidators'
Final Report
for the period
2 December 2012 to
27 February 2014**

**Brintons Limited
In Liquidation**

27 February 2014

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1 Statutory information

- 1.1 Anne O'Keefe of Zolfo Cooper, The Zenith Building, 26 Spring Gardens, Manchester M2 1AB and Gary Squires of Zolfo Cooper, 10 Fleet Place, London, EC4M 7RB were appointed Joint Liquidators of Brintons Limited (the Company) on 2 December 2011, following the filing of Form 2.34B - Notice of move from Administration to Creditors' Voluntary Liquidation with the Registrar of Companies.
- 1.1 The Liquidation is being handled by Zolfo Cooper's Manchester office, situated at The Zenith Building, 26 Spring Gardens, Manchester M2 1AB.
- 1.2 The trading address of the Company was 322 High Holborn, London, WC1V 7PB.
- 1.3 The registered office of the Company has been changed to c/o Zolfo Cooper, The Zenith Building, 26 Spring Gardens, Manchester M2 1AB and the registered number is 00034239.
- 1.4 As approved by the meeting of creditors held on 10 November 2011, any act required or authorised to be done by the Joint Liquidators may be done by all or any one or more of them.

2 Progress of the Liquidation

- 2.1 The Joint Liquidators' Receipts and Payments Account for the periods 2 December 2012 to 1 December 2013 and 2 December 2013 to 27 February 2014, together with a Cumulative Account for the period 2 December 2011 to 27 February 2014 are attached at Appendix A.
- 2.2 The Liquidation has now been completed, all realisable assets have been realised, and the proceeds distributed in accordance with the Insolvency Act 1986, details of which are provided below.

Surplus from the Administration

- 2.3 As previously advised, the surplus balance, after the costs of the Administration, totalling £630,859 was transferred to the Joint Liquidators' account.
- 2.4 As the Company granted a floating charge to the secured creditor after 15 September 2003, the Joint Liquidators were required to create an Unsecured Creditors' Fund (see section 6.3) The maximum amount of £600,000 was available for the Unsecured Creditors' Fund.
- 2.5 After the deduction of costs, the total funds distributed to creditors was £585,147 and the rate of the dividend was 0.98 pence in the pound. The dividend was declared on 11 June 2013.

Investigation into the sale of the business

- 2.6 Prior to the appointment of the Joint Liquidators, Simon John Granger and Chad Griffin of FTI Consulting Limited were appointed Joint Administrators of the Company on 2 September 2011 (the Joint Administrators). A pre-packaged sale of the Company's business and assets to Brintons Carpets Limited (BCL) completed on the same date.

- 2.7 As detailed in the Annual Report dated 19 January 2013, since appointment the Joint Liquidators have communicated with the PPF and the Pension Regulator to discuss their concerns in respect of the sale. The Joint Liquidators conducted an in-depth investigation into the events leading up to the Administration and the subsequent sale of the Company's business and assets. This included a review of the conduct of the sale in accordance with Statement of Insolvency Practice 16 (SIP 16). The PPF has made a contribution of £87,807 towards the Joint Liquidators' time costs for dealing with the investigation and statutory matters.
- 2.8 During the period the Joint Liquidators have concluded their investigation and, following discussions with the PPF, do not propose to take any further action.

Novation of contracts

- 2.9 During the Liquidation, BCL requested that the Joint Liquidators sign various novations on behalf of the Company in respect of trademark and supplier agreements, as set out in the pre-packaged sale agreement. BCL agreed to fund the costs of notarising these documents and the sum of £726 has been received.
- 2.10 BCL also requested that the Joint Liquidators sign an amendment to a Share Purchase Agreement that was originally dated 2 September 2011. The Joint Liquidators sought legal advice in relation to this matter prior to signing the Amendment and Transfer Form. The Joint Liquidators costs of £5,997 and legal fees totalling £6,052 have been paid by BCL.

Sundry receipts and interest

- 2.11 Bank interest of £2,626 and sundry receipts totalling £141 have been received.

3 Unrealised assets

- 3.1 All assets have been realised.

4 Investigations

- 4.1 The Joint Liquidators conducted investigations into the conduct of the directors and transactions entered into prior to the Company's insolvency, as required by the Company Directors Disqualification Act 1986, and Statement of Insolvency Practice 2 - Investigations by Office Holders in Administrations and Insolvent Liquidations. Based upon the outcome of the Joint Liquidators' investigations, there were no matters identified that required further action in respect of the directors' actions.
- 4.2 As detailed in section 2, the Joint Liquidators completed an investigation into the events leading to the previous appointment of Joint Administrators and the conduct of the pre-packaged sale of the Company's business and assets. No further action is required in respect of this matter.

5 Joint Liquidators' remuneration

- 5.1 The basis of the Joint Liquidators' remuneration was approved by the meeting of creditors held on 26 January 2012 as being by reference to the time properly spent by the Joint Liquidators and their staff on matters arising in the Liquidation.
- 5.2 The Joint Liquidators' time costs for the period 2 December 2012 to 1 December 2013 are £34,255. This represents 169 hours at an average rate of £202 per hour. The Joint Liquidators' time costs for the period 2 December 2013 to 27 February 2014 are £4,790, which represents 24 hours at an average rate of £201 per hour. Time Analyses for the periods which provide details of the costs incurred by activity and by staff grade are attached at Appendix B.
- 5.3 Principal areas of activity during the period are discussed in further detail below.
- **Administration and planning** - time has been incurred managing and monitoring the case strategy, complying with statutory duties, performing general administrative work and finalising the Liquidation. Case related treasury and support time is also recorded here.
 - **Investigations** - time has been incurred investigating the events leading to the previous appointment of Joint Administrators and the sale of the business and assets of the Company in accordance with SIP 16. This also includes time spent corresponding with the PPF and the Pensions Regulator.
 - **Realisation of assets - floating charge** - time recorded within this category includes dealing with notarisation of documents and patents for BCL and liaising with the solicitor regarding the amendment to the Share Purchase Agreement and Transfer.
 - **Creditors** - time has been spent gathering information in order to deal with employee claims and liaising with the Employment Tribunal. Time spent dealing with creditor correspondence, reviewing unsecured claims, calculating the dividend and making a distribution is recorded in this section. Time has also been spent reporting to creditors, holding the annual meetings of members and creditors and preparing for the final meetings.
- 5.4 A copy of 'A Creditors' Guide to Liquidators' Fees' can be downloaded from Zolfo Cooper's creditor portal (<http://www.zcinfoportal.com>) - click on Creditors' Guide to Fees in the menu on the left side of the screen. If you would prefer this to be sent to you in hard copy please contact Sophie Loughnane on 0161 838 4578 or by email sloughnane@zolfocooper.eu and she will forward a copy to you. Alternatively, postal requests should be sent to the registered office per section 1.3.
- 5.5 A Cumulative Time Analysis for the period 2 December 2011 to 27 February 2014 which provides details of the activity costs incurred by staff grade since the Joint Liquidators' appointment is attached at Appendix C. Time costs for the cumulative period total £155,994. Of this amount, a total of £97,639 are time costs relating to the investigation.
- 5.6 A total of £123,803 plus category 1 disbursements of £6,858 and category 2 disbursements of £570 have been drawn during the course of the Liquidation As detailed in section 2.7, the PPF has made a contribution of £87,807 towards the Joint Liquidators' costs. In addition, BCL have paid costs in the sum of £5,997. No further fees will be drawn.
- 5.7 The Joint Liquidators confirm that the following category 2 disbursements have been drawn

- Photocopying - charged at the rate of ten pence per sheet for notifications and reports to creditors and other copying.
 - Printing - charged at the rate of ten pence per sheet for black and white printing and 15 pence per sheet for colour.
- 5.8 Information in relation to the Joint Liquidators' policy on staffing, the use of sub-contractors, payment of disbursements and details of their current charge-out rates by staff grade is attached at Appendix D.

6 Outcome for creditors

Secured creditor - Lytham Holdco Limited (LHL)

- 6.1 A distribution of £2,317 has been paid to LHL under its floating charge security.

Preferential creditors

- 6.2 All employees of the Company transferred to BCL under the Transfer of Employment (Protection of Employment) Regulations 2006. There are therefore no preferential creditors.

Unsecured Creditors' Fund

- 6.3 Pursuant to section 176A of the Insolvency Act 1986, where there is a floating charge which post-dates 15 September 2003, the Joint Liquidators are required to create a fund from the Company's net property available for the benefit of unsecured creditors (Unsecured Creditors' Fund), commonly known as the prescribed part.
- 6.4 As the Company granted a floating charge to the secured creditor after 15 September 2003, the Joint Liquidators were required to create an Unsecured Creditors' Fund. The amount available for the Unsecured Creditors' Fund was £585,147 from which a distribution of 0.98 (zero point nine eight) pence in the pound was paid to unsecured creditors on 11 June 2013.

Unclaimed dividends

- 6.5 All cheques paid to unsecured must be banked within six months of the date of the cheque. Three dividends totalling £732 were not claimed as at 11 December 2013. The Joint Liquidators have therefore cancelled these cheques and forwarded the proceeds to The Insolvency Service, Estate Accounts Directorate, Unclaimed Monies Team, PO Box 3690, Birmingham, B2 4UY.
- 6.6 If your cheque has cancelled, please submit a claim to The Insolvency Service. To make a claim, creditors should contact the Insolvency Service by email at: EAIPS.Unclaimed@insolvency.gsi.gov.uk and put Brintons Limited as the subject.

- 6.7 The transfer of responsibility to the Insolvency Service is a routine step which requires administrators of an insolvent company to transfer unclaimed dividends to the agency six months after the cheques were issued. The agency will hold the funds for the next six years, after which it will return any money that remains unclaimed to HM Treasury, however, this does not affect creditors' rights to claim funds after the six years has passed.

7 Creditors' rights

- 7.1 Within 21 days of the receipt of the report, a secured creditor, or an unsecured creditor with the concurrence of at least 5% of the value of the unsecured creditors may request in writing that the Liquidator provide further information about their remuneration or expenses which have been itemised in this progress report.
- 7.2 Any secured creditor, or an unsecured creditor with the concurrence of at least 10% of the value of 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 is inappropriate, or that the remuneration or the expenses incurred by the Joint Liquidators as set out in this progress report are excessive.

Yours faithfully



Anne O'Keefe
Joint Liquidator

Encs

**Receipts and Payments Account for the periods
2 December 2012 to 1 December 2013,
2 December 2013 to 27 February 2014 and a
Cumulative Account for the period 2 December 2011 to
27 February 2014**

Appendix A

	02/12/2012 - 01/12/2013	02/12/2013 - 27/02/2014	Cumulative
	£	£	£
Floating charge assets			
Receipts			
Surplus from Administration	-	-	630,859
Sundry receipts	141	-	141
Contribution from PPF	-	87,807	87,807
Contribution from BCL	12,049	-	12,049
Contribution to notary fees	120	-	726
Bank interest	1,401	47	2,626
	13,711	87,854	734,208
Payments			
Joint Liquidators' remuneration			
Investigation	75,000	-	75,000
Liquidation	40,997	7,807	48,803
Legal fees	11,053	-	14,229
Professional fees - employee services	59	-	546
Category 1 disbursements:			
Stationery and postage	385	55	5,801
Company search	5	187	192
Statutory advertising	85	85	320
Bordereau	420	-	420
Telephone	-	10	10
Storage	-	115	115
Category 2 disbursements:			
Copying and printing	217	353	570
Bank charges	12	26	38
Notary fees	120	-	700
	(128,353)	(8,638)	(146,744)
Distributions			
Floating charge creditor	-	2,317	2,317
Unsecured creditors, 0 98p/£, 11/06/2013	455,147	130,000	585,147
	(455,147)	(132,317)	(587,464)
Balance			-

Statement of Insolvency Practice 7 states the headings used in the receipts and payments account should follow those used in any prior statement of affairs (SOA) or estimated outcome statement. The SOA was provided by the Company's directors at the commencement of the Administration and provided estimated to realise values for the categories of assets to be realised. The receipts on the R&P above represent funds passed into Liquidation from the Administration, and as such, a meaningful comparison to the SOA by category cannot be made.

**Time Analyses for the periods 2 December 2012 to
1 December 2013 and 2 December 2013 to
27 February 2014**

Appendix B

02/12/2012 - 01/12/2013	Employee grade (hours)				£		
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Total cost	Average rate per hour
Administration and planning	-	-	-	0.5	0.5	57.50	115
Planning	2.9	1.7	0.2	0.3	5.1	1,796.00	352
Strategy and control	-	0.7	3.2	1.0	4.9	1,079.50	220
Statutory duties	0.6	0.9	1.4	6.0	8.9	1,625.00	183
Case administration	2.5	3.4	3.2	18.3	27.4	4,905.00	179
Accounting and treasury	-	-	-	-	-	0.00	n/a
Travel and waiting time	-	-	0.2	0.8	1.0	142.00	142
Internal documentation	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-
Other investigations	2.0	13.0	2.5	-	17.5	6,733.50	385
Internal documentation	-	7.0	0.3	-	7.3	2,311.00	317
Realisation of assets - floating charge	-	-	-	0.7	0.7	87.50	125
Sale of assets	-	-	-	0.7	0.7	87.50	125
Asset accounting and administration	0.1	1.5	4.2	11.1	16.9	2,857.00	169
Creditors	-	-	-	-	-	-	-
Creditor strategy	-	0.3	-	-	0.3	94.50	315
Reporting to creditors	-	0.5	9.0	13.8	23.3	3,826.50	164
Secured creditors	-	-	0.2	0.3	0.5	85.50	171
Unsecured creditors	0.8	2.3	10.5	37.4	51.0	8,137.00	160
Employees	-	0.1	-	4.0	4.1	517.00	126
Totals	8.9	31.4	34.9	94.2	169.4	34,254.50	202

02/12/2013 - 27/02/2014	Employee grade (hours)				£		
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Total cost	Average rate per hour
Administration and planning	-	-	-	-	-	-	-
Statutory duties	0.2	-	-	0.1	0.3	84.50	282
Case administration	-	0.1	-	0.6	0.7	107.00	153
Accounting and treasury	0.4	1.1	1.8	6.1	9.4	1,511.00	161
Internal documentation	-	-	0.2	-	0.2	48.00	240
Realisation of assets - floating charge	-	-	-	-	-	-	-
Dealing with third party assets	-	-	-	1.4	1.4	175.00	125
Asset accounting and administration	0.1	-	-	1.6	1.7	216.00	128
Creditors	-	-	-	-	-	-	-
Reporting to creditors	0.5	0.7	5.1	0.2	6.5	1,453.00	254
Secured creditors	0.2	-	0.3	-	0.5	144.00	288
Unsecured creditors	0.2	1.3	1.2	0.1	2.8	788.50	282
Totals	1.6	3.2	8.8	10.2	23.8	4,789.50	201

Cumulative Time Analysis for the period 2 December 2011 to 27 February 2014

Appendix C

	Employee grade (hours)				Total hours	£	
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support		Total cost	Average rate per hour
Administration and planning							
Planning	-	-	2.8	0.5	3.3	701.50	213
Strategy and control	4.1	4.1	9.4	0.5	18.1	5,165.00	285
Statutory duties	0.2	1.1	4.1	4.7	10.1	1,913.00	189
Case administration	2.9	2.0	3.7	9.2	17.8	3,708.50	208
Accounting and treasury	3.0	7.8	8.0	41.1	59.9	9,852.00	164
Internal documentation	-	0.1	1.5	8.6	10.2	1,371.50	134
Investigations							
Director conduct reports	6.0	0.2	1.9	4.0	12.1	3,000.00	248
Other investigations	42.8	180.8	8.5	7.0	239.1	97,639.00	408
Internal documentation	-	7.0	0.3	-	7.3	2,311.00	317
Realisation of assets - floating charge							
Asset identification and valuation	-	-	0.3	9.0	9.3	1,104.00	119
Sale of assets	1.3	-	0.7	0.7	2.7	827.00	306
Recovery of assets	-	-	2.0	-	2.0	460.00	230
Dealing with third party assets	-	-	3.4	1.4	4.8	957.00	199
Asset accounting and administration	0.2	2.5	13.5	16.0	32.2	5,913.50	184
Creditors							
Creditor claims	-	0.2	1.0	-	1.2	283.00	236
Creditor strategy	-	0.3	-	-	0.3	94.50	315
Reporting to creditors	0.5	1.2	13.7	14.0	29.4	5,387.50	183
Creditor meetings	-	-	0.5	0.1	0.6	129.50	216
Secured creditors	0.2	-	0.5	0.3	1.0	229.50	230
Unsecured creditors	1.0	4.4	18.7	40.5	64.6	11,094.50	172
Employees	-	0.7	6.4	18.6	25.7	3,852.00	150
Totals	62.2	212.4	100.9	176.2	551.7	155,993.50	283

Additional information in relation to the Joint Liquidators' remuneration pursuant to Statement of Insolvency Practice 9

Appendix D

1 Policy

Detailed below is Zolfo Cooper's policy in relation to:

- staff allocation and the use of sub-contractors,
- professional advisors, and
- disbursements.

1.1 Staff allocation and the use of sub-contractors

The Joint Liquidators' general approach to resourcing their assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The case team will usually consist of a partner, an associate director or a senior associate, an associate and an analyst. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Joint Liquidators' charge-out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, time spent by treasury in relation to specific tasks on an assignment is charged but secretarial time is only recovered if a large block of time is incurred, eg report compilation and distribution.

The following service has been provided on this assignment by an external sub-contractor.

Service type	Service provider	Basis of fee arrangement	Cost to date £
Employee claim processing	Payco ERA Limited	Time costs	546

1.2 Professional advisors

On this assignment the Joint Liquidators have used the professional advisors listed below. The Joint Liquidators have also indicated alongside the basis of their fee arrangement with them which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
SNR Denton UK LLP (legal advice)	Hourly rate and disbursements

The Joint Liquidators' choice was based on their perception of the professional advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of their fee arrangement with them.

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. Category 1 disbursements may include external supplies of incidental services specifically identifiable to the case eg postage, case advertising, invoiced travel and external printing, room hire and document storage. Any properly reimbursed expenses incurred by the Joint Liquidators and their staff will also be chargeable.

Category 2 disbursements do require prior approval by creditors before they are paid. If they are incurred, they will be drawn in accordance with the approval given by the creditors committee, or body of creditors as appropriate. Category 2 disbursements incurred are as follows.

- Photocopying - charged at the rate of ten pence per sheet for notifications and reports to creditors and other copying.
- Printing - charged at the rate of ten pence per sheet for black and white printing and 15 pence per sheet for colour.

2 Charge-out rates

A schedule of Zolfo Cooper charge-out rates for this assignment effective from 1 April 2013 is detailed below, together with those applicable prior to that date. Time is charged by partners and case staff in units of six minutes.

Description	Rates from 1 April 2013	Description	Rates pre 1 April 2013
	£		£
Partner 1*	445	Partner 1*	445
Partner 2*	415	Partner 2*	395
Director	360	Director	340
Associate director [†]	320	Senior associate 1*	315
Senior associate	280	Senior associate 2*	265
Associate	240	Associate	230
Analyst	220	Analyst	220
Junior analyst	125	Junior analyst	115
Senior treasury associate	170	Senior treasury associate	150
Treasury associate	110	Treasury associate	105
Treasury analyst	85	Treasury analyst	80
Support	79	Support	75

***Key**

Partner 1 - partners with three or more years' experience at partner level

Partner 2 - partners with fewer than three years' experience at partner level

Promotion from senior associate to associate director from 1 April 2013 is on the basis of performance and experience. Prior to that, the distinction from senior associate 2 to senior associate 1 was made for staff with two or more years' experience at senior associate level