

Liquidator's Progress Report

Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986

S.192

To the Registrar of Companies

Company Number

01302619

Name of Company

(a) Insert full
name of company

(a) BAUBLES THE JEWELLERS LIMITED

(b) Insert full
name(s)
and
address(es)

I / We (b) A Poxon

of Leonard Curtis, Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 25 June 2011 to 24 June 2012

Signed

Date 24 August 2012

Presenter's
name, address
and reference (if
any)

Leonard Curtis,
Hollins Mount,
Hollins Lane,
Bury,
Lancashire
BL9 8DG
Ref K/20/AW/SB795D/115

SATURDAY



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25/08/2012

COMPANIES HOUSE

#286



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**Baubles the Jewellers Limited
(In Creditors' Voluntary Liquidation)**

Company Registration Number. 01302619

Former Registered Office and Trading Address. 17 St Peters Place, Fleetwood, Lancashire FY7 6EB

**Liquidator's Second Progress Report
prepared pursuant to Section 104A of the Insolvency Act 1986
(as amended) and Rule 4.49C of the Insolvency Rules 1986 (as amended)**

23 August 2012

Leonard Curtis

Hollins Mount, Hollins Lane, Bury BL9 8DG
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Ref B795D/AW/1050

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TO ALL MEMBERS, CREDITORS, DIRECTORS AND THE REGISTRAR OF COMPANIES

1 INTRODUCTION

- 1 1 Jonathan Timmis was appointed liquidator of Baubles the Jewellers Limited ("the Company") at meetings of members and creditors held on 25 June 2010. At this time, Mr Timmis was employed by J M Marriott and Co (North West) Limited.
- 1 2 On 16 May 2012, Mr Timmis entered into an agreement with Leonard Curtis Recovery Limited ("Leonard Curtis") to transfer the management of his insolvency caseload to that firm. Following that agreement, and in accordance with Rules 7.10A-D of the Insolvency Rules 1986 (as amended), an application was made to Court for an Order to remove Mr Timmis as Insolvency Practitioner on each of his cases and replace him with Andrew Poxon of Leonard Curtis.
- 1 3 Mr Poxon was granted permission to make the application and the Order was granted by the Court on 18 June 2012. Accordingly, Mr Timmis ceased to act as liquidator of this case on 18 June 2012, and Mr Poxon was appointed in his place. Mr Poxon is licensed in the UK by the Institute of Chartered Accountants in England and Wales.
- 1 4 This report provides an update on the conduct of the liquidation for the period from 25 June 2011 to 24 June 2012, as required by Section 104A of the Insolvency Act 1986 (as amended) ("the Act"). It contains details of the progress made, the expected outcome for creditors and other information that the liquidator is required to disclose and should be read in conjunction with the previous progress report dated 19 July 2011.
- 1 5 All figures are stated net of VAT.

2 CONDUCT OF THE LIQUIDATION

- 2 1 The Company's registered office was changed to 14 Queen Street, Lancaster, Lancashire LA1 1RS on 14 July 2010. Following the appointment of Mr Poxon as liquidator, The Company's registered office was changed to Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG on 10 July 2012.
- 2 2 To date, the liquidation has focussed on realising the assets of value specified within the statement of affairs, namely fixtures and fittings, stock and the intercompany debt. Since the last report, the only asset realised has been bank interest.

Assets Realised

Bank interest

- 2 3 Bank interest of £1 has been received in the period.

Assets Still to be Realised

Intercompany Debt

- 2 4 The following assets are still to be realised:

Description	£
Intercompany Debt	<u>1</u>
	<u>1</u>

3 RECEIPTS AND PAYMENTS ACCOUNT

- 3 1 A summary of the liquidator's receipts and payments in the liquidation from 25 June 2011 to 24 June 2012 is attached at Appendix A

4 OUTCOME FOR CREDITORS

Secured Creditors

- 4 1 The Company granted a debenture in favour of The Royal Bank of Scotland Plc, comprising fixed and floating charges, created on 1 November 1985 and registered on 5 November 1985

Preferential Creditors

- 4 2 Preferential creditors were estimated at £88 within the Company's statement of affairs. A claim in the sum of £673 has been received from the Redundancy Payments Office. A first and final dividend of 100 pence in the pound was paid to preferential creditors on 18 January 2011.

Ordinary Unsecured Creditors

- 4 3 Estimated unsecured creditor claims, according to the Company's books and records, as at the date that the Company entered into liquidation, amounted to £80,456.
- 4 4 The funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation. As a result, there will be no dividend to the ordinary unsecured creditors.
- 4 5 The liquidator has collated and acknowledged (where requested) the claims of the ordinary unsecured creditors, although, in view of the fact that there will be no distribution to this class of creditor, unsecured claims have not been formally agreed.
- 4 6 No monies were paid to ordinary unsecured creditors by virtue of the application of Section 176(A) of the Act ("the prescribed part").

5 INVESTIGATIONS

- 5 1 Since the commencement of the liquidation, the liquidator considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 5 2 That assessment did not identify any possible further realisations. In addition, the liquidator concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider requires investigation, they should send full details to this office.
- 5 3 Notwithstanding the above, the liquidator has complied with his statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

6 LIQUIDATOR'S REMUNERATION, EXPENSES AND DISBURSEMENTS AND CREDITORS' RIGHTS

Remuneration

- 6 1 A fee of £4,500 in respect of the preparation of the statement of affairs was approved by creditors at the meeting of creditors held on 25 June 2010. The sum of £4,500 has been drawn in this respect.
- 6 2 At the same meeting, it was resolved that the liquidator's remuneration be payable by reference to time properly given by him and his staff in attending to matters arising in the liquidation. The J M Marriott and Co (North West) Limited time costs from 25 June 2010 to 18 June 2012 are £11,297, which represents 100 hours at an average hourly rate of £118. Attached at Appendix B (i) is a time analysis which provides details of the activity costs incurred by staff grade during the liquidation.
- 6 3 Fees totalling £3,000 have been drawn to date.
- 6 4 Attached at Appendix B (ii) is a time analysis which provides details of the activity costs incurred by staff grade during the liquidation incurred by Leonard Curtis. The time costs from 18 June 2012 to 24 June 2012 are £537 which represents 1.6 hours at an average hourly rate of £335.

Expenses and Disbursements

- 6 5 The liquidator has incurred expenses and Category 1 disbursements (independent third party expenses paid and reimbursed to the liquidator, which do not require creditors' consent) as follows:

Description	Total amount incurred to date £	Amount incurred in this period £	Amount reimbursed £	Amount still to be reimbursed £
Land Registry Searches	40 00	40 00	-	40 00
Court Fees	34 31	34 31	-	34 31
Bordereau Fee	60 00	10 00	50 00	10 00
Statutory Advertising	238 43	238 43	226 80	11 63
Mail Redirection	26 00	26 00	26 00	-
Total	398 74	348 74	302 80	95 94

- 6 6 Creditors also approved the basis for recharging disbursements that include payments to outside parties in which the liquidator or J M Marriott and Co (North West) Limited, or Leonard Curtis have an interest, also known as Category 2 disbursements. In this case, the following costs have been incurred:

Description	Total amount incurred to date £	Amount incurred in this period £	Amount reimbursed £	Amount still to be reimbursed £
Mileage	20 80	-	20 80	-
Photocopying	184 05	10 35	173 70	10 35
Postage	75 48	31 74	40 17	35 31
Total	280.33	42 09	234 67	45 66

- 6 7 Attached at Appendices C (i) and C (ii) is additional information in relation to the J M Marriott and Co (North West) Limited and Leonard Curtis Recovery policies on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade.

6 8 During the liquidation, the following professional advisors and / or subcontractors have been used

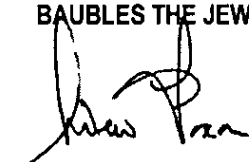
Name of Professional Advisor	Service Provided	Basis of Fees
JPS Chartered Surveyors	Asset Valuation and Sale	Time Costs and Percentage of Realisations
Kennedys Law	Legal Fees	Time Costs

Creditors' Rights

- 6 9 Within 21 days of receipt of this report, a creditor may request the liquidator to provide further information about the remuneration and expenses set out in this report. A request must be in writing, and may be made by a secured creditor, or an unsecured creditor with the concurrence of at least five per cent in value of the creditors (including that creditor), or the permission of the court.
- 6 10 Any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the liquidator's remuneration is inappropriate, or the remuneration or expenses charged by the liquidator is excessive.
- 6 11 The application must, subject to any order of the court under paragraph 6 10 above, be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 6 12 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation.
- 6 13 Any creditor may apply for an order that the liquidator provide any information which would otherwise be required to be provided under Rule 4 108(3), namely an account of the administration of the estate, including a summary of the receipts and payments, and a statement that he has reconciled his accounts.
- 6 14 The liquidator's costs of complying with any such request shall, unless good reasons to the contrary are demonstrated, be paid as an expense of the liquidation.

Yours faithfully
for and on behalf of

BAUBLES THE JEWELLERS LIMITED



A POXON
LIQUIDATOR

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

APPENDIX A

SUMMARY OF LIQUIDATOR'S RECEIPTS AND PAYMENTS FROM 25 JUNE 2011 TO 24 JUNE 2012

	Estimated to Realise £	As at 24 June 2011 £	Movements in the Period £	Cumulative £
RECEIPTS				
Fixtures and Fittings	50	259 57	-	259 57
Intercompany Loan	1	-	-	-
Stock	15,400	17,506 41	-	17,506 41
	<u>15,451</u>	<u>17,765 98</u>	-	<u>17,765 98</u>
Bank Interest		2 50	1 13	3 63
		<u>17,768 48</u>	<u>1 13</u>	<u>17,769 61</u>
PAYMENTS				
Agent's Fees and Expenses		5,554 60	-	5,554 60
Category 2 Disbursements		234 67	-	234 67
Legal Fees		2,032 00	-	2,032 00
Liquidator's Remuneration		3,000 00	-	3,000 00
Mail Redirection		26 00	-	26 00
Statement of Affairs Fee		4,500 00	-	4,500 00
Specific Bond		50 00	-	50 00
Statutory Advertising		226 80	-	226 80
		<u>15,624 07</u>	-	<u>15,624 07</u>
DISTRIBUTIONS				
RPO (Preferential) 18/01/11 100p/£		673 34	-	673 34
		<u>673 34</u>	-	<u>673 34</u>
BALANCE		<u>1,471 07</u>	<u>1 13</u>	<u>1,472 20</u>
MADE UP AS FOLLOWS				
Balance at Bank		453 02	1,019 18	1,472 20
VAT Receivable		1,018 05	(1,018 05)	-
		<u>1,471 07</u>	<u>1 13</u>	<u>1,472 20</u>

APPENDIX B (i)

SUMMARY OF J M MARRIOTT AND CO (NORTH WEST) LIMITED TIME COSTS FROM 25 JUNE 2010 TO 18 JUNE 2012

Wip Description	Office Holder	Senior Manager	Manager	Supervisor	Senior Administrator	Administrator/cashier	Total Hours	Total	Average Charge/hr
Asset Realisation	4.7	0	4.7	6.1	0	0	15.5	2269	146 387096
Administration & Planning	0	0	0	0.9	0.5	5.9	7.3	639	87 534246
Creditors	0.3	3	3	6.7	2.4	29.3	44.7	4499	100 648769
Cashiering	1.7	0	0.1	0	0	3.9	5.7	697	122 280701
Fixed Charge Realisation	0	0	0.4	0	0	0	0.4	58	145
Statutory Compliance	1.6	0	5.8	3.4	2	5	17.8	2028.5	113 960674
Investigation	0.8	0	5.5	1.3	0	1.6	9.2	1107	120 326086
TOTALS	9.10	3.00	19.50	18.40	4.90	45.70	100.60	11,297.50	118.56

APPENDIX B (ii)

SUMMARY OF LEONARD CURTIS TIME COSTS FROM 18 JUNE 2012 TO 24 JUNE 2012

	Senior Manager		Manager 2		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory & Review	8	308.00	8	228.00	16	536.00	335.00
Total	8	308.00	8	228.00	16	536.00	
Average Hourly Rate (£)		385.00		285.00		335.00	

All Units are 6 minutes

J M Marriott & Co (North West) Limited ("J M Marriott")

GUIDE TO FEES & EXPENSES

1 Time Costs & Chargeout Rates from the 1 March 2010

Staff Grade	Current Chargeout Rate £ per hour Excl of VAT (where applicable)
Office-holder/Director	210
Senior Manager	180
Manager	145
Supervisor	120
Senior Administrator	110
Administrator/Cashier	85

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units)

2 Expenses & Disbursement Costs

Where the Insolvency Practitioner in J M Marriott acts as office-holder of an insolvent estate, J M Marriott will seek to re-charge these costs (plus VAT where applicable). In such cases, to comply with Statement of Insolvency Practice 9 (SIP9), the standard disbursement cost and expense re-charge calculation will be based upon J M Marriott's standard policy which is as follows -

Category 1 expenses

This relates to expenditure directly related to a particular insolvent estate. These expenses are re-charged to the individual case at cost as they are incurred.

These costs will include -

Statutory Advertising
Statutory Bonding (Bordereau)
Post-redirection (When Franking Machine not used)
Storage (if external sources are required)
Land Registry Searches
Companies House Search
Room Hire (use of third party room e.g. a Hotel)
Travel (where public transport is used)
Printing and Photocopying (if external sources are required)
DTI IVA Registration Fee

Category 2 expenses

This relates to expenditure, which is not directly related to the insolvent estate, but where the costs are apportioned or allocated over a number of such cases and estimates are used in the calculation.

These costs will be re-charged at the following rates -

Photocopying – 15p per page irrespective of size
Postage – where Franking Machine is used, the standard cost applicable for a Royal Mail Stamp based upon document weight/size
Room Hire – for use of a J M Marriott meeting room for a meeting of creditors within formal Insolvency Proceedings
The cost is £80 plus VAT
Books & Records – annual storage charge of £8 per box (bankers box) and a one off destruction fee of £3 per box
Car Travel – 40p per mile

APPENDIX C (ii)**ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF LEONARD CURTIS REGARDING FEES AND DISBURSEMENTS**

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 1 January 2012 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Standard £	Complex £
Director	425	531
Senior Manager	385	481
Manager 1	330	412
Manager 2	285	356
Administrator 1	230	287
Administrator 2	210	262
Administrator 3	190	237
Administrator 4	135	168
Support	0	0

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Disbursements

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses, including car mileage at 45p a mile, incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Where we propose to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, documents storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the liquidator's remuneration. Such expenditure is referred to as a "category 2 disbursement". In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision.

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£66.09 per box

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.