

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 2013 to 24 June 2014

Signed



Date 22 August 2014

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

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

SATURDAY



A14 23/08/2014 #245
COMPANIES HOUSE



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 Fourth 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)**

22 August 2014

Leonard Curtis

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Ref: B795D/AW/1010

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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 2013 to 24 June 2014, 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 22 August 2013.
- 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.

Assets Realised

- 2.2 No assets were realised in the period.

Assets Still to be Realised

Intercompany Debt

- 2.3 As previously reported, on 23 February 2013, a default judgement was entered against Selcoe Properties Limited ("Selcoe") in the sum of £108,016. The liquidator formally demanded payment of the judgement debt on 11 March 2013 and a winding up petition was served on Selcoe on 18 July 2013. On 24 February 2014 a winding up order was made against Selcoe.
- 2.4 Based on current information it is anticipated that a dividend will be available from the liquidation of Selcoe in due course, although the level and timing of any dividend is still uncertain.

3 RECEIPTS AND PAYMENTS ACCOUNT

- 3.1 A summary of the liquidator's receipts and payments in the liquidation from 25 June 2013 to 24 June 2014 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 ("RBS"), comprising fixed and floating charges, created on 1 November 1985 and registered on 5 November 1985. At the date of liquidation RBS was owed £146,000, subject to interest and charges. Based on current information, it is uncertain whether a dividend will be available to RBS under the terms of its security

Preferential Creditors

- 4.2 As at the date of liquidation, there was one preferential creditor, with an estimated claim totalling £88
- 4.3 Claims totalling £673 have been received. A first and final preferential dividend of 100 pence in the pound was paid on 18 January 2011.

Ordinary Unsecured Creditors

- 4.4 As at the date of liquidation, there were 67 unsecured creditors, with estimated claims totalling £80,456
- 4.5 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.
- 4.6 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
- 4.7 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 As previously reported, following the initial assessment, no detailed investigations were considered to be required by the liquidator. Nothing further has been brought to the attention of the liquidator during the period of this report.
- 5.2 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

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- 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 liquidator's time costs from 25 June 2013 to 24 June 2014 are £19,847, which represents 63.2 hours at an average hourly rate of £314. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the period from 25 June 2013 to 24 June 2014. Total time costs from the commencement of the liquidation amount to £38,259.
- 6.3 Further guidance may be found in "A Creditors' Guide to Liquidators' Fees," which may be downloaded from <http://www.leonardcurtis.co.uk/resources/creditorsguides>. If you would prefer to receive this in hard copy, please contact James Hall of this office on 0161 767 1250.
- 6.4 Fees totalling £3,000 have been drawn, none of which was drawn during the year ending 24 June 2014.

Description of Significant Time Costs Incurred by Category

Assets

- 6.5 Time has been incurred in realising the assets of the Company. This included liaising with solicitors and attending the winding up hearing in relation to the intercompany debt due from Selcoe.

Expenses and Disbursements

- 6.6 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:

	Total amount incurred to date £	Amount incurred in this period £	Amount paid / reimbursed £	Amount still to be paid / reimbursed £
Expenses				
Court Fees	885.00	-	885.00	-
Bordereau Fee	50.00	-	50.00	-
Statutory Advertising	226.80	-	226.80	-
Mail Redirection	26.00	-	26.00	-
Software Licence	75.00	-	75.00	-
Disbursements				
Court Fees	1,419.31	-	34.31	1,385.00
Legal Fees	1,263.00	1,263.00	-	1,263.00
Land Registry Searches	55.00	9.00	40.00	15.00
Online Reporting	6.00	-	6.00	-
Bordereau Fee	10.00	-	10.00	-
Companies House Searches	4.00	-	2.00	2.00
Statutory Advertising	11.63	-	11.63	-
Storage Charges	10.95	8.43	-	10.95
Total	4,042.69	1,280.43	1,366.74	2,675.95

- 6.7 Creditors also approved the basis for recharging disbursements that include payments to outside parties in which the liquidator 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	27.55	6.75	20.8	6.75
Photocopying	-	-	184.05	-
Postage	-	-	75.48	-
Total	27.55	6.75	280.33	-

- 6.8 Attached at Appendix C is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade

- 6.9 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
Turner Parkinson	Legal Fees	Time Costs

Creditors' Rights

- 6.10 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.
- 6.11 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.
- 6.12 The application must, subject to any order of the court under paragraph 6.11 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.
- 6.13 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.

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 2013 TO 24 JUNE 2014

	Estimated to Realise £	As at 24 June 2013 £	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		3.92	-	3.92
		<u>17,769.90</u>	-	<u>17,769.90</u>
PAYMENTS				
Software Licence		75.00	-	75.00
Specific Bond		50.00	-	50.00
Statement of Affairs Fee		4,500.00	-	4,500.00
Liquidator's Remuneration		3,000.00	-	3,000.00
Court Fee		885.00	-	885.00
Category 1 Disbursements		103.94	-	103.94
Category 2 Disbursements		280.33	-	280.33
Agents Fees and Expenses		5,554.60	-	5,554.60
Legal Fees		2,032.00	-	2,032.00
Mail Redirection		26.00	-	26.00
Statutory Advertising		226.80	-	226.80
		<u>16,733.67</u>	-	<u>16,733.67</u>
DISTRIBUTIONS				
Preferential Creditor - 18 January 2011 100p/£		673.34	-	673.34
		<u>673.34</u>	-	<u>673.34</u>
BALANCE		<u>362.89</u>	-	<u>362.89</u>

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APPENDIX B

SUMMARY OF LIQUIDATOR'S TIME COSTS FROM 25 JUNE 2013 TO 24 JUNE 2014

	Director		Senior Manager		Manager 2		Administrator 1		Administrator 4		Total		Average	
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £	Hourly Rate £
Statutory & Review	-	-	-	-	15	480 00	-	-	-	-	15	480 00	320 00	
Assets	45	2,025 00	95	3,657 50	217	6,184 50	100	2,600 00	-	-	457	14,467 00	316 56	
Liabilities	-	-	10	385 00	45	1,282 50	-	-	-	-	55	1,667 50	303 18	
General Administration	20	900 00	-	-	43	1,225 50	-	-	6	81 00	69	2,206 50	319 78	
Planning & Strategy	-	-	-	-	36	1,026 00	-	-	-	-	36	1,026 00	285 00	
Total	65	2,925 00	105	4,042 50	356	10,198 50	100	2,600 00	6	81 00	632	19,847 00		
Average Hourly Rate (£)		450 00		385 00		286 47		260 00		135 00		314 03		
All Units are 6 minutes														

APPENDIX C

LEONARD CURTIS CHARGE OUT RATES AND POLICY REGARDING STAFF ALLOCATION, SUPPORT STAFF, THE USE OF SUBCONTRACTORS AND THE RECHARGE OF DISBURSEMENTS

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 6 January 2014, the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

With effect from 6 Jan 2014	Standard	Complex	1 Jan 2012 to 5 Jan 2014	Standard	Complex
	£	£		£	£
Director	450	562	Director	425	531
Senior Manager	410	512	Senior Manager	385	481
Manager 1	365	456	Manager 1	330	412
Manager 2	320	400	Manager 2	285	356
Administrator 1	260	325	Administrator 1	230	287
Administrator 2	230	287	Administrator 2	210	262
Administrator 3	210	262	Administrator 3	190	237
Administrator 4	150	187	Administrator 4	135	168
Support	0	0	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

- Category 1 disbursements:** These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- Category 2 disbursements:** These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. 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
Business mileage	45p per mile

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

APPENDIX D

PROOF OF DEBT – GENERAL FORM

Baubles The Jewellers Limited		
Date of resolution for voluntary winding-up 25 June 2010		
1	Name of Creditor (If a company please also give company registration number.)	
2	Address of creditor for correspondence (Please include email address)	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation	£
4	Details of any documents by reference to which the debt can be substantiated (Note: There is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount.	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
9	Signature of creditor or person authorised to act on his behalf _____ Name in BLOCK LETTERS _____ Position with or relation to creditor _____ Address of person signing (if different from 2 above) _____	
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Liquidator		Liquidator