

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, Leonard Curtis House, Elms Square, Bury New Road, Whitefield M45
7TA

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 2014 to 24 June 2015

Signed



Date 20 August 2015

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

Leonard Curtis
Leonard Curtis House
Elms Square, Bury New Road
Whitefield
M45 7TA
Ref K/20/JH/SB795D/115

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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 Fifth 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)**

20 August 2015

Leonard Curtis

Leonard Curtis House, Elms Square, Bury New Road, Whitefield, Manchester M45 7TA

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Ref B795D/JH/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 2014 to 24 June 2015, 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 2014.
- 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

Intercompany Debtor

- 2 2 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 3 A first interim dividend in the sum of £45,185 was received from the liquidator of Selcoe on 19 May 2015. A final dividend is anticipated to be received in due course.

Return of Petition Costs

- 2 4 An amount of £2,648 has been received from the liquidator of Selcoe in respect of costs incurred in petitioning for the winding up of Selcoe.

Assets Still to be Realised

- 2 5 The only asset still to be realised is the final dividend from the liquidator of Selcoe in respect of the intercompany debtor referred to at 2 2 and 2 3

3 RECEIPTS AND PAYMENTS ACCOUNT

- 3 1 A summary of the liquidator's receipts and payments in the liquidation from 25 June 2014 to 24 June 2015 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 Preferential 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.
- 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 2014 to 24 June 2015 are £6,041, which represents 19.9 hours at an average hourly rate of £304. 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 2014 to 24 June 2015. Total time costs from the commencement of the liquidation amount to £43,850.
- 6 3 Further guidance may be found in "A Creditors' Guide to Liquidator's 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 413 0930.
- 6 4 Fees totalling £40,500 have been drawn, £37,500 of which has been drawn during the year ending 24 June 2015.

Description of Significant Time Costs Incurred by Category

Liabilities

- 6 5 Time has been incurred in preparing and circulating the previous progress report to creditors dated 22 August 2014.

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				
Agents' Fees	5,554.60	-	5,554.60	-
Legal Fees	2,032.00	-	2,032.00	-
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	-	1,419.31	-
Legal Fees	1,263.00	-	1,263.00	-
Land Registry Searches	55.00	-	55.00	-
Online Reporting	13.00	7.00	13.00	-
Bordereau Fee	10.00	-	10.00	-
Companies House Searches	4.00	-	4.00	-
Statutory Advertising	11.63	-	11.63	-
Storage Charges	21.07	10.12	16.05	5.02
Total	11,646.41	17.12	11,641.39	5.02

Baubles The Jewellers Limited – In Creditors' Voluntary Liquidation

- 6 7 Creditors also approved the basis for recharging disbursements that include an element of shared or allocated costs or 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	-	27 55	-
Photocopying	184 05	-	184 05	-
Postage	75 48	-	75 48	-
Total	287.08	-	287 08	-

- 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 ask 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 2014 TO 24 JUNE 2015

	Estimated to Realise £	As at 24 June 2014 £	Movements in the Period £	Cumulative £
RECEIPTS				
Fixtures and Fittings	50	259 57	-	259 57
Intercompany Loan	1	-	45,184 92	45,184 92
Stock	15,400	17,506 41	-	17,506 41
	<u>15,451</u>	<u>17,765 98</u>	<u>45,184 92</u>	<u>62,950 90</u>
Return of Petition Costs		-	2,648 00	2,648 00
Bank Interest		3 92	-	3 92
		<u>17,769 90</u>	<u>47,832 92</u>	<u>65,602.82</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	37,500 00	40,500 00
Court Fee		885 00	-	885 00
Category 1 Disbursements		103 94	2,688 05	2,791 99
Category 2 Disbursements		280 33	6 75	287 08
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>40,194 80</u>	<u>56,928.47</u>
DISTRIBUTIONS				
Redundancy Payments Office - 18 January 2011 100p/£		673 34	-	673 34
		<u>673 34</u>	<u>-</u>	<u>673 34</u>
BALANCE		<u>362 89</u>	<u>7,638 12</u>	<u>8,001 01</u>
MADE UP AS FOLLOWS				
Balance at Bank		318 37	(120 45)	197 92
VAT Receivable		44 52	7,758 57	7,803 09
		<u>362 89</u>	<u>7,638 12</u>	<u>8,001 01</u>

APPENDIX B

SUMMARY OF LIQUIDATOR'S TIME COSTS FROM 25 JUNE 2014 TO 24 JUNE 2015

	Director		Manager 2		Administrator 1		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory and Review	5	225 00	2	64 00	22	572 00	29	861 00	296 90
Receipts and Payments	5	225 00	-	-	10	260 00	15	485 00	323 33
Assets	-	-	-	-	40	1,040 00	40	1,040 00	260 00
Liabilities	10	450 00	-	-	75	1,950 00	85	2,400 00	282 35
General Administration	25	1,125 00	-	-	5	130 00	30	1,255 00	418 33
Total	45	2,025 00	2	64 00	152	3,952 00	199	6,041 00	
Average Hourly Rate (£)		450 00		320 00		260 00		303 57	

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

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.

The following hourly charge-out rates apply to all assignments undertaken by Leonard Curtis

	Standard £	Complex £
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
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

- a) 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.
- b) 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.

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