

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



A8VXPY9L

A16

04/01/2020

#192

COMPANIES HOUSE

ase

ise

1 Company details

Company number 0 1 4 5 5 9 3 7

Company name in full Cara London Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Louise Donna

Surname Baxter

3 Liquidator's address

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region Essex

Postcode S S 1 2 E G

Country

4 Liquidator's name ①

Full forename(s) Lloyd

Surname Biscoe

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region Essex

Postcode S S 1 2 E G

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	d	0	9	m	1	1	y	2	0	1	8
To date	d	0	8	m	1	1	y	2	0	1	9

7 Progress report☒ The progress report is attached**8** Sign and date

Liquidator's signature

Signature

X  X

Signature date

d	0	3	m	0	1	y	2	0	2	0
---	---	---	---	---	---	---	---	---	---	---

LIQ03

Notice of progress report in voluntary winding up

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Dominik Thiel Czerwinke**

Company name **Begbies Traynor (Central) LLP**

Address **The Old Exchange**

234 Southchurch Road

Post town **Southend on Sea**

County/Region

Postcode **S S 1 2 E G**

Country

DX **southend@begbies-traynor.com**

Telephone **01702 467255**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Cara London Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 09/11/2018 To 08/11/2019 £	From 09/11/2017 To 08/11/2019 £
	SECURED ASSETS		
Uncertain	Goodwill	NIL	NIL
NIL	Leasehold Improvements	NIL	NIL
NIL	Leasehold Properties	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	SECURED CREDITORS		
(285,329.06)	HSBC Bank Plc	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	ASSET REALISATIONS		
	Bank Interest Gross	NIL	1.17
	Cash at Bank and in hand	NIL	164.25
	Cash in hand	NIL	390.06
500.00	Fixtures & Fittings	NIL	600.00
160.00	Furniture & Equipment	NIL	120.00
1,200.00	Motor Vehicles	NIL	1,440.00
10,940.00	Stock	NIL	10,090.00
	Sundry Refund	NIL	762.94
	Utility Refund	NIL	233.33
		<u>NIL</u>	<u>13,801.75</u>
	COST OF REALISATIONS		
	Agents/Valuers Fees (1)	NIL	5,729.00
	Legal Fees (1)	NIL	1,200.00
	Liquidators' Expenses	NIL	605.60
	Specific Bond	NIL	18.00
	Statement of Affairs Fee	NIL	5,567.73
	Stationery & Postage	NIL	185.59
	Statutory Advertising	NIL	246.00
		<u>NIL</u>	<u>(13,551.92)</u>
	PREFERENTIAL CREDITORS		
(2,909.21)	RPO	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(517,634.24)	Cara Wholesale Limited	NIL	NIL
(164,718.00)	Directors	NIL	NIL
(32,050.61)	HMRC (non VAT)	NIL	NIL
(157,993.59)	HMRC (VAT)	NIL	NIL
(29,266.83)	RPO	NIL	NIL
(157,046.19)	Trade Creditors	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(206,049.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(1,540,196.73)		<u>NIL</u>	<u>249.83</u>
	REPRESENTED BY		
	Bank 1 Current		9.83
	Vat Control Account		240.00
			<u>249.83</u>


Lloyd Biscoe
Joint Liquidator
03 January 2020 09:22

Cara London Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 9 November 2018 to 8 November 2019

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

- ☐ Interpretation
- ☐ Company information
- ☐ Details of appointment of liquidators
- ☐ Progress during the period
- ☐ Estimated outcome for creditors
- ☐ Remuneration and disbursements
- ☐ Liquidators' expenses
- ☐ Assets that remain to be realised and work that remains to be done
- ☐ Other relevant information
- ☐ Creditors' rights
- ☐ Conclusion
- ☐ Appendices
 - 1. Liquidators' account of receipts and payments
 - 2. Liquidators' time costs and disbursements
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Cara London Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 9 November 2017.
"the liquidators", "we", "our" and "us"	Louise Donna Baxter and Lloyd Biscoe of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG.
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	N/A
Company registered number:	01455937
Company registered office:	The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
Former trading address:	Unit 4, Thames Court, Goring, Reading, RG8 9AQ

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	9 November 2017
Date of liquidators' appointment:	9 November 2017
Changes in liquidator (if any):	None

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 9 November 2018 to 8 November 2019. There have been no receipts and payments during the period.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached.

General case administration and planning

- Updating case strategy plan;
- Update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- Ongoing maintenance of up to date information on the electronic case information;
- Periodic reviews of the case generally;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression checklists; and
- Ensure time recording data is compliant with Statement of Insolvency Practice 9.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary; and
- Submission of forms to Companies House.

Banking

- Opening, maintaining and managing the insolvent estate bank account.
- Creating, maintaining and managing the officer holders' cash book on this assignment.
- Undertaking regular bank reconciliations of the liquidation bank account.
- Complying with risk management procedures;

- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advises for incoming funds; and
- Processing of BACS/electronic payments where applicable.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Dealing with all creditors' claims (including employees), correspondence and distributions

Creditors

- Updating schedules of preferential and unsecured creditor claims;
- Receipt of creditor claims and input on internal case management software;
- Review of creditor claim supporting information;
- Taking and dealing with phone calls from creditors;
- Acknowledgment of creditor claims correspondence and/or dealing with further queries on claims;
- Receipt of, consideration of and response to creditor correspondence; and
- Where necessary, consideration of issues to reject claims and issue of appropriate letter to creditor(s) affected in accordance with statutory requirements concerning rejection of all or part claims.

On this engagement, the work detailed above has not had any direct financial benefit to creditors from the insolvent estate and has been undertaken to comply with the Insolvency Act and Rules together with best practice and enabling creditors to have evidence of their loss for tax and VAT purposes.

Other matters which includes meetings, tax, litigation, pensions and travel

Tax / VAT

- Post appointment tax compliance – submission of corporation tax return(s); and
- Post appointment VAT compliance – submission of VAT returns.

On this assignment, the reconciliation of input and output VAT and the subsequent submission of VAT returns has enabled further realisation of assets for the estate but of insufficient value from which creditors may directly benefit. It is a requirement of the office holders to complete and file VAT returns until conclusion of the matter.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our progress report for the period 9 November 2017 to 8 November 2018.

Secured creditor

It was estimated that HSBC were owed £285,329.06 secured by way of a fixed and floating charge. The liability was also personally guaranteed by the director.

We understand the director has made more payments under the terms of the personal guarantee and will therefore become a subrogated creditor for any sums paid to date.

Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay were estimated at £2909.21.

Unsecured creditors

It was estimated that there were 45 unsecured creditors with total claims of £1,058,709.46. To date, we have received 34 claims in the total sum of £1,268,901.65.

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

Secured creditor

Should the draft sale agreement be approved in respect of the goodwill it is likely to result in a return to HSBC under their fixed charge. If no agreement is reached, there are no prospects of any return to the secured creditor from the liquidation.

Preferential creditors

Based upon realisations to date and estimated future realisations, it is anticipated that there will be insufficient fund available to enable a dividend to be paid to the preferential creditors.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

We have estimated, to the best of our knowledge and belief, the Company's net property, as defined in Section 176A(6) of the Act, to be nil and the prescribed part of the Company's net property to be nil.

There will be no distribution of the prescribed part as our estimate of the Company's net property is less than the minimum prescribed by the Insolvency Act 1986 (Prescribed Part) Order 2003 and we think, in accordance with Section 176A(3)(b) of the Act, that the costs of making a distribution of the prescribed part to unsecured creditors would be disproportionate to the benefits.

Unsecured creditors

Based upon realisations to date and estimated future realisations it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

6. REMUNERATION & DISBURSEMENTS

Remuneration

No approval for our post appointment fees as liquidators has been sought as there are insufficient asset realisations available to discharge these costs.

Our time costs for the period from 9 November 2018 to 8 November 2019 amount to £8,723.00 which represents 30.7 hours at an average rate of £284.14 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Time Costs Analysis for the period 9 November 2018 to 8 November 2019;
- ☐ Cumulative Time Costs Analysis for the period 9 November 2017 to 8 November 2019; and
- ☐ Begbies Traynor (Central) LLP's charging policy

To 8 November 2019, we have drawn no funds on account of our remuneration.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to our appointment in assisting with the preparation of the statement of affairs and seeking the decisions of creditors on the nomination of liquidators were approved by the creditors on 9th November 2017.

Disbursements

To 8 November 2019, we have also drawn disbursements of £314.85.

Further details of the post appointment disbursements are contained at Appendix 3.

Why have subcontractors been used?

No subcontractors have been used.

Category 2 Disbursements

In accordance with the resolution obtained in relation to disbursements, the following Category 2 disbursements have been charged to the case since the date of our appointment but remain unpaid:

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Photocopying	142.00
TOTAL	142.00

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2017' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

The only remaining asset is the Company's goodwill which is charged to HSBC Bank. This is presently under sale negotiations with Cara (Direct) Limited, an associated company, for a sum of £239,470.00.

General case administration and planning

- The preparation, drafting and issue of this report to creditors and members to include all necessary information;
- Updating case strategy plan;

- Update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- General case updates to include internal meetings on case strategy and effecting instruction;
- Ongoing maintenance of up to date information on the electronic case information;
- Periodic reviews of the case generally;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression checklists; and
- Ensure time recording data is compliant with Statement of Insolvency Practice 9.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

There is no direct commercial benefit to creditors in relation to the above matters, but creditors benefit from case progression and accuracy. This work is necessary to progress the case and comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;
- Maintain accurate account of receipts and payments; and
- Issuing annual progress reports for submission at Companies House and copies sent to all known creditors.

Banking

- Maintaining and managing the insolvent estate bank account.
- Maintaining and managing the officer holders' cash book on this assignment.
- Undertaking regular bank reconciliations of the estate bank account.
- Complying with risk management procedures;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advises for incoming funds; and
- Processing of BACS/electronic payments where applicable.

Closure

- Filing of final return at Companies House; and
- Update physical and electronic case records following closure.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Dealing with all creditors' claims (including employees), correspondence and distributions

Creditors

- The issue of this report and associated required documents;
- Updating schedules of unsecured creditor claims;
- Receipt of creditor claims and input on internal case management software;
- Review of creditor claim supporting information;
- Taking and dealing with phone calls from creditors;
- Acknowledgment of creditor claims correspondence and/or dealing with further queries on claims;
- Receipt of, consideration of and response to creditor correspondence; and
- Where necessary, consideration of issues to reject claims and issue of appropriate letter to creditor(s) affected in accordance with statutory requirements concerning rejection of all or part claims.

On this engagement, the work detailed above will not have any direct financial benefit to creditors from the insolvent estate and has been undertaken to comply with the Insolvency Act and Rules together with best practice and enabling creditors to have evidence of their loss for tax and VAT purposes.

Other matters which includes meetings, tax, litigation, pensions and travel

- The completion of VAT forms in order to reclaim outstanding VAT;
- The Completion of Corporation Tax returns;
- Attending meetings that may arise along with travel to and from those meetings;
- Filing of final Corporation Tax return; and
- Seeking closure clearance from HMRC.

Some of the above have no direct financial benefit to creditors but have to be done in order to comply with the Insolvency Rules such as creditors and members meetings, as well as a legal requirement, such as completion of corporation tax returns. Others do have a direct financial benefit to creditors. These include the provision of VAT returns after the liquidation as the majority of VAT will be recoverable and therefore an asset of the insolvent estate.

How much will this further work cost?

We expect to incur a further £5,000 in completing the above tasks.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are set out in the estimate of anticipated expenses attached at appendix 3.

Photocopying charges	£154.60 +VAT
Postage	£3.15

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a

liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



Lloyd Biscoe
Joint Liquidator

Dated: 18 December 2019

ACCOUNT OF RECEIPTS AND PAYMENTS


Period: 9 November 2018 to 8 November 2019

Cara London Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 09/11/2018 To 08/11/2019 £	From 09/11/2017 To 08/11/2019 £
	SECURED ASSETS		
Uncertain	Goodwill	NIL	NIL
NIL	Leasehold Improvements	NIL	NIL
NIL	Leasehold Properties	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	SECURED CREDITORS		
(285,329.06)	HSBC Bank Plc	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	ASSET REALISATIONS		
	Bank Interest Gross	NIL	1.17
	Cash at Bank and in hand	NIL	164.25
	Cash in hand	NIL	390.06
500.00	Fixtures & Fittings	NIL	600.00
160.00	Furniture & Equipment	NIL	120.00
1,200.00	Motor Vehicles	NIL	1,440.00
10,940.00	Stock	NIL	10,090.00
	Sundry Refund	NIL	762.94
	Utility Refund	NIL	233.33
		<u>NIL</u>	<u>13,801.75</u>
	COST OF REALISATIONS		
	Agents/Valuers Fees (1)		
	ITC Commission	NIL	2,179.00
	ITC Disbursements	NIL	3,550.00
	Legal Fees (1)	NIL	1,200.00
	Liquidators' Expenses		
	Pre-app travel costs	NIL	246.20
	Pre-app photocopying	NIL	359.40
	Specific Bond	NIL	18.00
	Statement of Affairs Fee	NIL	5,567.73
	Stationery & Postage		
	Pre-app postage	NIL	134.74
	Postage	NIL	50.85
	Statutory Advertising		
	Advertising	NIL	246.00
		<u>NIL</u>	<u>(13,551.92)</u>
	PREFERENTIAL CREDITORS		
(2,909.21)	RPO	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(517,634.24)	Cara Wholesale Limited	NIL	NIL
(164,718.00)	Directors	NIL	NIL
(32,050.61)	HMRC (non VAT)	NIL	NIL
(157,993.59)	HMRC (VAT)	NIL	NIL
(29,266.83)	RPO	NIL	NIL
(157,046.19)	Trade Creditors	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(206,049.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(1,540,196.73)		<u>NIL</u>	<u>249.83</u>
	REPRESENTED BY		

Cara London Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 09/11/2018 To 08/11/2019 £	From 09/11/2017 To 08/11/2019 £
REPRESENTED BY CONTINUED		
Bank 1 Current		9.83
Vat Control Account		240.00
		249.83



Lloyd Biscoe
Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 9 November 2018 to 8 November 2019; and
- c. Cumulative Time Costs Analysis for the period from 9 November 2017 to 8 November 2019.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting;
- Car mileage is charged at the rate of 45 pence per mile; and
- Photocopying is charged at 20p per sheet.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² *ibid* 1

- Telephone and facsimile; and
- Printing and sundry photocopying.
- Stationery.

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Southend office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) 18 March 2019 – until further notice
Consultant/Partner	645 - 710
Director	515
Senior Manager	440
Manager	410
Assistant Manager	315
Senior Administrator	290
Administrator	220
Trainee Administrator	160
Support	160

Prior to 18 March 2019, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
Partner	395-550
Director	395
Senior Manager	365
Manager	315
Assistant Manager	285
Senior Administrator	250
Administrator	220
Junior Administrator	160
Cashier	160
Support	160

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SIP9 Cara London Limited - Creditors Voluntary Liquidation - 03CA598.CVL : Time Costs Analysis From 09/11/2018 To 08/11/2019

Staff Grade	Consultant/Partner	Director	Sen Mgr	Mgr	Analyst / Fellow	Smr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	0.6	0.9	1.5					2.4		5.4	1,662.00	311.48
Administration			0.5			0.9		0.5		1.9	544.50	286.58
Total for General Case Administration and Planning:	0.6	0.9	2.0			0.9		2.9		7.3	2,226.50	305.00
Compliance with the Insolvency Act, Rules and best practice												
Appointment												
Banking and Bonding	1.1							0.3	3.1	4.5	1,193.50	264.33
Case Closure												0.00
Statutory reporting and statement of affairs	0.6	0.4	1.0			6.2				8.2	2,267.00	276.46
Total for Compliance with the Insolvency Act, Rules and best practice:	1.7	0.4	1.0			6.2		0.3	3.1	12.7	3,420.50	269.33
GDCA and investigations												0.00
Total for Investigations:												0.00
Realisation of assets												
Debt collection												0.00
Property, business and asset sales						7.1				7.1	2,059.00	290.00
Recovery of the Third party assets												0.00
Total for Realisation of assets:						7.1				7.1	2,059.00	290.00
Trading												0.00
Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions			0.6							0.6	352.00	440.00
Others			0.3			0.3		1.2		1.8	411.00	228.33
Creditors committee												0.00
Total for Dealing with all creditors claims (including employees), correspondence and distributions:			1.1			0.3		1.2		2.6	763.00	293.46
Other matters which includes: meetings, fax, litigation, persons and travel												0.00
Seeking opinions of creditors												0.00
Meetings												0.00
Other												0.00
Tax		0.4						0.6		1.0	254.00	254.00
Litigation												0.00
Total for Other matters:		0.4						0.6		1.0	254.00	254.00
Total hours by staff grade:	2.3	1.7	4.1			14.5		5.9	3.1	30.7		
Total time cost by staff grade:	1,183.50	779.50	1,516.50			3,647.50		900.00	486.00		6,723.00	
Average hourly rate £:	514.57	458.53	364.27	0.00	0.00	253.34	0.00	150.00	150.00			284.14
Total fees drawn to date £:											0.00	

SIP9: Cara London Limited - Creditors Voluntary Liquidation - 03CA598.CVL : Time Costs Analysis From 09/11/2017 To 08/11/2019

Staff Grade	Consultant/Partner	Director	Senior Manager	Manager	Analyst - Forensic	Senior Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case Planning	0.3	4.0	1.5		2.9		2.4		11.7	3,709.50	316.79
	Administration	0.2		0.5		2.4	0.1	21.8		25.0	4,402.50	176.10
	Total for General Case Administration and Planning:	1.1	4.0	2.0		5.3	0.1	24.2		36.7	8,109.00	220.85
	Appointment		2.1							2.1	529.50	385.00
Compliance with the Insolvency Act, Rules and best practice	Banking and Bonding	2.5					0.5	1.5	9.5	14.0	3,031.50	216.54
	Case Closure											0.00
	Statutory reporting and statement of affairs	0.8	0.4	1.0		6.2				8.4	2,346.00	279.29
	Total for Compliance with the Insolvency Act, Rules and best practice:	3.3	2.5	1.0		6.2	0.5	1.5	9.5	24.5	6,207.00	253.35
Investigations	GDCA and investigations	1.2		0.5		3.5		1.0		6.2	1,614.00	260.32
	Total for investigations:	1.2		0.5		3.5		1.0		6.2	1,614.00	260.32
Realisation of assets	Debt collection											0.00
	Property, business and asset sales		1.6	0.3		8.8				10.7	3,185.00	297.66
	Remission of Third Party assets							2.0		2.0	320.00	160.00
	Total for Realisation of assets:		1.6	0.3		8.8		2.0		12.7	3,505.00	278.98
Trading	Trading											0.00
	Total for Trading:											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured			0.6						1.4	541.00	385.43
	Others		0.1	0.3	1.4	7.6	0.8	11.9		22.1	4,487.00	202.13
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:		0.1	1.1	2.0	7.6	0.8	11.9		23.5	5,008.00	213.11
Other matters which includes distributions, meetings, tax, litigation, pensions and travel	Seeking decisions of creditors											0.00
	Meetings	1.0								1.0	450.00	450.00
	Other			0.3		0.6	0.1	3.5		4.7	676.00	166.36
	Tax		0.6			0.8		1.8		3.5	815.50	233.00
Litigation	Litigation											0.00
	Total for Other matters:	1.0	0.6	0.3		1.7	0.1	5.3		9.2	2,141.50	232.77
	Total hours by staff grade:	6.6	9.0	4.4	2.8	33.1	1.5	45.9	9.5	112.9		
	Total time cost by staff grade:	2,853.50	3,963.00	1,726.00	882.00	6,216.30	277.50	7,344.00	1,320.00	26,584.30		
Average hourly rate £:		447.50	407.00	392.27	315.00	246.29	183.00	160.00	180.00		0.00	216.68
	Total fees drawn to date £:											

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
<i>There have been no expenses incurred.</i>				
Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Charging Policy</i>)				
Photocopying	Begbies Traynor (Central) LLP	142.00	0.00	142.00

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Postage	Royal Mail	50.85 (discharged)
Advertising	The Stationery Office	246.00 (discharged)
Bonding	Insolvency Risk Services	18.00 (discharged)
Agents Fees	ITC Valuers	5,729.00 (discharged)
Legal Fees	BTMK	1,200.00 (discharged)
Photocopying	Begbies Traynor (Central) LLP	142.00