

# Liquidator's Progress Report

# S.192

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

To the Registrar of Companies

Company Number

03803564

Name of Company

Chomette Limited

I / We

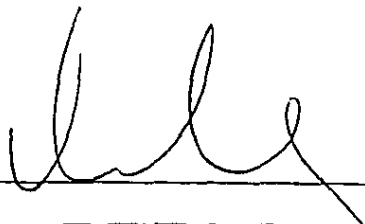
David M Riley  
30 Finsbury Square  
London  
EC2P 2YU

David J Dunckley  
30 Finsbury Square  
London  
EC2P 2YU

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 27/03/2013 to 26/03/2014

Signed



Date

21/05/14.

Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

Ref C01729/DMR/ZLC/BZM/EZF

SATURDAY



A06 \*A38KSY09\* 24/05/2014

COMPANIES HOUSE

#278

Our Ref DMR/ZLC/BZM/EZF/C01729/  
Your Ref

To the creditors and members

21 May 2014

Dear Sirs

**Recovery and Reorganisation**

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**Chomette Limited - In Liquidation**

**1 Introduction**

1 1 Following my appointment as joint liquidator of the above Company with David Riley on 27 March 2013 in accordance with section 104A of the Insolvency Act 1986, I now report on the progress of the liquidation for the year ended 26 March 2014 and attach

- Appendix A, an account of our receipts and payments for the year ended 26 March 2014 and also for the whole liquidation to date
- Appendix B, a statement of the remuneration charged by the joint liquidators in the period 27 March 2013 to 26 March 2014 and a statement of expenses incurred in the period
- Appendix C, an analysis of time costs as required by Statement of Insolvency Practice 9
- Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator (rule 4.49E)
- Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive (rule 4.131)

1 2 Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners

**2 Statutory information**

2 1 The Company's statutory details are as follows

Registered number 03803564

Registered office 4 Hardman Square, Spinningfields,  
Manchester, M3 3EB

**Progress report**

**Assets**

**Administrators' surplus**

2 2 No statement of affairs has been prepared for the liquidation. The only assets transferred from the administration is the surplus funds totalling £192,115

### **Book debts**

- 2.3 As reported in the administration, at the date of appointment the director's statement of affairs stated that the Company's debtor ledger had a book value of £968,362. However, after a review of the ledger it became apparent that this sum would not be realised in full due to a number of disputed debts.
- 2.4 The Company had assigned its book debts under a confidential invoice discount arrangement to HSBC Invoice Finance (HSBCIF) which was owed £316,073. HSBCIF also holds fixed and floating charges over the assets of the Company dated 30 December 2007, and any surplus from the ledger had been assigned to HSBC Bank Plc (HSBC) who was owed £435,783.
- 2.5 As previously reported, book debt collections have been sufficient in order to repay HSBCIF and HSBC in full, plus termination charges and interest and provide a surplus of £99,361 to the Company.
- 2.6 As HSBCIF and HSBC have been paid in full from debtor collections, the remaining debtor ledger of £156,151 was re-assigned to the Company.
- 2.7 Winterhull Largo Plc (Winterhull) was instructed to assist with the collection of the remaining debtors. Collections of £3,226 have been received in the liquidation and Winterhull has advised that no further collections are anticipated.

### **Shareholdings**

- 2.8 As previously advised, the Company held a 10% shareholding in Pullivuyt SPA, a French registered company which supplied porcelain and glass to the Company. In order to progress any sale and to comply with regulations it was necessary to correspond with all shareholders and invite offers.
- 2.9 Two offers were received for the Company's shareholding. A sale was subsequently concluded and consideration of £73,533 was received.

### **Liabilities**

#### **Secured Creditors**

- 2.10 HSBCIF holds both fixed and floating charges over the Company's book debts, and a floating charge over the Company's assets. Both charges are dated 31 December 2007, and at the date of appointment HSBCIF was owed £316,073. As advised above, book debt collections have been sufficient to re-pay HSBCIF in full.
- 2.11 HSBC holds both fixed and floating charges over the Company's assets by way of a charge dated 10 September 1999, and at the date of appointment was owed £435,783. HSBC had the benefit of a legal assignment from the Company for any surplus funds available from book debt realisations. HSBC has been re-paid in full from book debt realisations.
- 2.12 As both secured creditors have been re-paid in full from fixed charge realisations, there will be no prescribed part distribution to be set aside for the benefit of the unsecured creditors under Section 176A of the Insolvency Act 1986.

### **Preferential Creditors**

- 2.13 Preferential claims totalling £21,918 were paid in full on 22 January 2014

### **Unsecured Creditors**

- 2.14 To date I have received and agreed 38 unsecured claims totalling £468,938
- 2.15 Creditors yet to submit claims in the liquidation are requested to do so by no later than 6 June 2014 using the enclosed claim form. A distribution will be made to creditors following the agreement of all claims

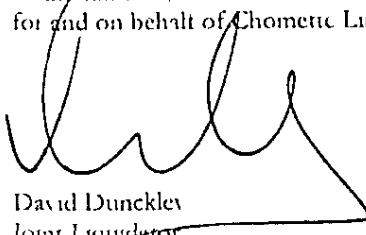
### **3 Joint liquidators' remuneration and expenses**

- 3.1 At a meeting of creditors held on 2 November 2012, the creditors resolved that we draw our remuneration by reference to our time costs. You will note from the SIP 9 table attached at Appendix C that our time costs to date are £27,544 and from the receipts and payments account attached at Appendix A that we have drawn £20,000. Time costs of £7,544 incurred in the period but not drawn as remuneration to date are disclosed in Appendix B
- 3.2 Time is charged in units of 6 minutes. Background information regarding the fees of liquidators can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively I will supply this information by post on request
- 3.3 Pursuant to rule 4.127(5A) of the Insolvency Rules 1986, this basis applies also in the liquidation
- 3.4 In addition, we have incurred expenses of £16 in respect of postage as indicated in Appendix B

### **4 Other expenses incurred by the joint liquidators**

- 4.1 Details of further costs incurred to date are attached at Appendix B

Yours faithfully  
for and on behalf of Chometric Limited



David Dunckley  
Joint Liquidator  
Linc

## A Abstract of the joint liquidators' receipts and payments

Chomette Limited - in liquidation  
 Receipts and payments account  
 from 27 March 2013 to 26 March 2014

|   | Statement<br>of affairs | Total                         |
|---|-------------------------|-------------------------------|
|   | £                       | £                             |
| <b>Receipts</b>                         |                         |                               |
| Administration Surplus                  |                         | 192,114 71                    |
| Administration VAT Reclaim              |                         | 23,081 60                     |
| Book Debts                              |                         | 3,225 80                      |
| Shares & Investments                    |                         | 73,532 90                     |
| Misc Float Receipts                     |                         | 240 00                        |
| Bank/ISA InterestGross                  |                         | 280 09                        |
| Vat Control Account                     |                         | 23,413 76                     |
|   |                         | <hr/> 315,888 86 <hr/>        |
| <b>Payments</b>                         |                         |                               |
| Insurance                               |                         | 2,107 49                      |
| Property Expenses                       |                         | 1,877 00                      |
| Retention of Title                      |                         | 6,000 00                      |
| Liquidators Fees                        |                         | 100,000 00                    |
| Liquidators Expenses                    |                         | 368 92                        |
| Agents/Valuers Fees (1)                 |                         | 209 42                        |
| Legal Fees (1)                          |                         | 30,518 36                     |
| Debt Collection Fees                    |                         | 131 89                        |
| Statutory Advertising                   |                         | 84 60                         |
| Other Property Expenses                 |                         | 792 00                        |
| Bank Charges                            |                         | 100 18                        |
| Preferential Creditors (All)            |                         | 24,917 79                     |
| Vat Receivable                          |                         | 26,796 43                     |
|   |                         | <hr/> 193,904 08 <hr/>        |
| <b>Balance - 26 March 2014</b>          |                         | <hr/> <b>121,984.78</b> <hr/> |
| <b>Made up as follows</b>               |                         |                               |
| Floating Current Account - NIB 08 11 13 |                         | 121,984 78                    |
|   |                         | <hr/> <b>121,984 78</b> <hr/> |

## B Remuneration charged and expenses incurred by the joint liquidators in the period

|                                 | Charged/incurred<br>in period to<br>26/03/2014 | Cumulative<br>charged/incurred<br>to 26/03/2014 | Of which paid<br>to 26/03/2014 |
|---------------------------------|--|---|--------------------------------|
|                                 | £  | £   | £                              |
| <b>Joint liquidators' fees.</b> |  |   |                                |
| Time costs                      | 27,544   | 27,544  | 20,000                         |
| Expenses                        | 16   | 16  | 0                              |
| <b>Legal fees.</b>              |  |   |                                |
| Eversheds LLP                   | 30,518   | 30,518  | 30,518                         |
| <b>Agents/valuers</b>           |  |   |                                |
| Winterhill                      | 341  | 341   | 341                            |
| <b>Insurance</b>                |  |   |                                |
| JLT Speciality Limited          | 2,107  | 2,107   | 2,107                          |

## C SIP 9 information

### Introduction

The following information is provided in connection with the administrators' remuneration and disbursements in accordance with SIP 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

### Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it

|                                    | From<br>01/07/12<br>£ | From<br>01/07/13<br>£ |
|------------------------------------|-----------------------|-----------------------|
| Partners up to                     | 580                   | 600                   |
| Managers up to                     | 440                   | 455                   |
| Administrators up to               | 310                   | 320                   |
| Assistants and support staff up to | 210                   | 220                   |

### Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.

**Chomette Limited - In Liquidation - C30201729 - SIP 9 TIME COST ANALYSIS**

Transaction period 27/03/2013 to 26/03/2014

|                             | Partner    |               |               | Manager     |                 |               | Executive    |                  |               | Administrator |                 |               | Total         |                  |               |
|-----------------------------|------------|---------------|---------------|-------------|-----------------|---------------|--------------|------------------|---------------|---------------|-----------------|---------------|---------------|------------------|---------------|
|                             | Hrs        | £             | Avg Hrly Rate | Hrs         | £               | Avg Hrly Rate | Hrs          | £                | Avg Hrly Rate | Hrs           | £               | Avg Hrly Rate | Hrs           | £                | Avg Hrly Rate |
| Administration and Planning | 50         | 300.00        | 600.00        | 4.05        | 1,697.50        | 419.14        | 32.65        | 8,798.00         | 269.46        | 23.25         | 3,153.75        | 135.65        | 60.45         | 13,949.25        | 230.76        |
| Creditors                   |            |               |               | 50          | 157.50          | 315.00        | 8.95         | 2,346.00         | 262.12        | 23.55         | 2,593.00        | 110.11        | 33.00         | 5,096.50         | 154.44        |
| Hiatus period               |            |               |               |             |                 |               |              |                  |               |               |                 |               | 00            | 00               |               |
| Investigations              |            |               |               |             |                 |               | 1.65         | 405.50           | 245.76        |               |                 |               | 1.65          | 405.50           | 245.76        |
| Realisation of Assets       |            |               |               |             |                 |               | 28.25        | 8,038.50         | 284.55        | 35            | 54.25           | 155.00        | 28.60         | 8,092.75         | 282.96        |
| Trading                     |            |               |               |             |                 |               |              |                  |               |               |                 |               | 00            | 00               |               |
| <b>Total</b>                | <b>.50</b> | <b>300.00</b> | <b>600.00</b> | <b>4.55</b> | <b>1,855.00</b> | <b>407.69</b> | <b>71.50</b> | <b>19,588.00</b> | <b>273.96</b> | <b>47.15</b>  | <b>5,801.00</b> | <b>123.03</b> | <b>123.70</b> | <b>27,544.00</b> | <b>222.67</b> |

Total fees billed to date (Time) · £ 20,000

## D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator

Rule 4 49E edited for application to a progress report in a creditors' voluntary liquidation

- (1) If
  - (a) within the period mentioned in paragraph (2)
    - (i) a secured creditor, or
    - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - (b) with the permission of the court upon an application made within the period mentioned in paragraph (2), any unsecured creditor makes a request in writing to the liquidator for further information about remuneration or expenses set out in the progress report, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of a matter which was previously included in a progress report
- (2) The period referred to in paragraph (1)(a) is 21 days of receipt of the progress report
- (3) The liquidator complies with this paragraph by either -
  - (a) providing all of the information asked for, or
  - (b) so far as the liquidator considers that
    - (i) the time or cost of preparation of the information would be excessive, or
    - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
    - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (4) Any creditor, who need not be the same as the creditor who requested further information, may apply to the court within 21 days of -
  - (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
  - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 4 131(1B) by such further period as the court thinks just

## E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive

### Rule 4 131

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application by a creditor may be made on the grounds that -
  - (a) the remuneration charged by the liquidator,
  - (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
  - (c) expenses incurred by the liquidator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice, but which is without notice to any other party  
If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
  - (a) an order reducing the amount of remuneration which the liquidator was entitled to charge
  - (b) an order fixing the basis of remuneration at a reduced rate or amount
  - (c) an order changing the basis of remuneration
  - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation
  - (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) 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