

## 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

We

David Riley, Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB

David Dunckley, Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU

the liquidators of the company attach a copy of our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 27/03/2014 to 26/03/2015

Signed

Date

14/4/2015

Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

Ref C01729/DMR/ZLC/BZM/EZF

WEDNESDAY



A09 \*A45CL03K\* 15/04/2015 #97  
COMPANIES HOUSE

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

To the creditors and members

14 April 2015

Dear Sirs

**Recovery and Reorganisation**

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**Chomette Limited - In Liquidation (the Company)**

**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 2015 and attach

- Appendix A, an account of our receipts and payments for the year ended 26 March 2015 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 2014 to 26 March 2015 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	c/o Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB

**3 Progress report**

**Assets**

3.1 As advised in my previous report, all asset realisations have now been finalised

**Chartered Accountants**

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## **Liabilities**

### **Secured Creditors**

- 3 2 HSBC Invoice Finance (HSBCIF) holds both fixed and floating charges over the Company's book debts, and a floating charge over the Company's assets. At the date of my appointment, HSBCIF was owed £316,073 and has been repaid in full.
- 3 3 HSBC Bank Plc (HSBC) holds both fixed and floating charges over the Company's assets 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.
- 3 4 As both secured creditors have been repaid 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**

- 3 5 Preferential claims totalling £24,918 were paid in full on 22 January 2014.
- 3 6 An additional employee claim has been brought to my attention, therefore a preferential catch up dividend totalling £120 will be paid to a former employee shortly.

### **Unsecured Creditors**

- 3 7 I have received and agreed unsecured claims totalling £1,359,433.
- 3 8 Due to the Employment Appeal Tribunal decision on 4 November 2014 regarding the inclusion of overtime in employee holiday pay calculations, the unsecured distribution is going to be delayed until such time as we have clarified how holiday pay was calculated in this particular company.

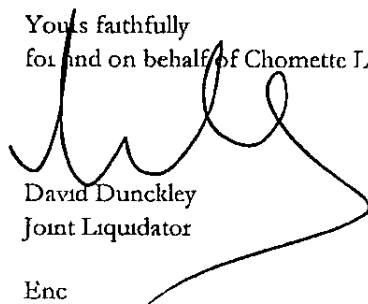
## **4 Joint liquidators' remuneration and expenses**

- 4 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 £51,840 and from the receipts and payments account attached at Appendix A, that we have drawn £20,000. Time costs of £31,840 incurred in the period but not drawn as remuneration to date are disclosed in Appendix B.
- 4 2 In addition, administrators' fees of £30,000 have also been paid in the period, bringing total administrators' fees to £130,000.
- 4 3 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.
- 4 4 Pursuant to rule 4.127(5A) of the Insolvency Rules 1986, this basis applies also in the liquidation.
- 4 5 In addition, we have drawn expenses of £369 as indicated in Appendix A.

**5 Other expenses incurred by the joint liquidators**

5.1 Details of further costs incurred can be found at Appendix B

Yours faithfully  
for and on behalf of Chomette Limited



David Dunckley  
Joint Liquidator

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Chomette Limited - in liquidation  
Summary of receipts and payments  
from 27 March 2013 to 26 March 2015

Statement of Affairs	From 27-Mar-13 to 26-Mar-14	From 27-Mar-14 to 26-Mar-15	Total
£	£	£	£
<b>Receipts</b>			
Administration Surplus	192,114 71	0 00	192,114 71
Administration VAT Reclaim	23,081 60	0 00	23,081 60
Book Debts	3,225 80	0 00	3,225 80
Shares & Investments	73,532 90	0 00	73,532 90
Misc Float Receipts	240 00	0 00	240 00
Bank/ISA InterestGross	280 09	(38 04)	242 05
Vat Control Account	23,413 76	13,417 47	36,831 23
	<b>315,888 86</b>	<b>13,379 43</b>	<b>329,268 29</b>
<b>Payments</b>			
Insurance	2,107 49	0 00	2,107 49
Property Expenses	1,877 00	0 00	1,877 00
Retention of Title	6,000 00	0 00	6,000 00
Liquidators Fees	0 00	20,000 00	20,000 00
Liquidators Expenses	368 92	0 00	368 92
Agents/Valuers Fees (1)	209 42	0 00	209 42
Legal Fees (1)	30,518 36	0 00	30,518 36
Debt Collection Fees	131 89	0 00	131 89
Administrators Fees	100,000 00	30,000 00	130,000 00
Administrators Expenses	0 00	89 42	89 42
Statutory Advertising	84 60	84 60	169 20
Other Property Expenses	792 00	0 00	792 00
Bank Charges	100 18	118 52	218 70
Preferential Creditors (All)	24,917 79	0 00	24,917 79
Vat Receivable	26,796 43	10,034 80	36,831 23
	<b>193,904 08</b>	<b>60,327 34</b>	<b>254,231.42</b>
<b>Net Receipts/(Payments)</b>	<b>121,984 78</b>	<b>(46,947 91)</b>	<b>75,036 87</b>
<b>Made up as follows</b>			
Floating Current Account - NIB 08 11 13	121,984 78	(46,947 91)	75,036 87
	<b>121,984.78</b>	<b>(46,947 91)</b>	<b>75,036 87</b>

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

	Charged/incurred in period 27 March 2014 to 26 March 2015	Cumulative charged/incurred to 26 March 2015	Of which paid to 26 March 2015
	£	£	£
<b>Joint liquidators' fees</b>			
Time costs	23,420	51,840	20,000
Expenses	0	369	369
<b>Joint administrators' fees</b>	0	0	130,000

## C SIP 9 information

### Introduction

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

Explanation of Giant 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 01/07/12	From 01/07/13	From 01/07/14
	£	£	£
Partners up to	580	600	740
Managers up to	440	455	470
Administrators up to	310	320	345
Assistants and support staff up to	210	220	230

### Disbursements

Out of pocket expenses are charged at cost and mileage is charged at standard rates. VAT is added to disbursement charges as necessary.

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

Job(s) CVL CMB Code

Transaction period 27/03/2013 to 26/03/2015

Export version - standard

Export version - detail

Detailed Version

Standard	Partner		Manager		Executive		Administrator		Total		Avg Hly Rate
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	
Administration and Planning	58	349 2	8 85	3,732 74	41 35	11,085	64 62	9,261 1	115 4	24,438 04	211 77
Creditors			3 25	1,062 5	20 15	5,072 5	86 65	12,229 75	110 05	18,364 75	166 88
Hiatus period											
Investigations			25	82 5	1 65	405 5			1 9	488	256 84
Realisation of Assets			1 1	456 5	28 25	8,038 5	35	54 25	29 7	8,549 25	287 85
Trading											
Total	58	349 2	13 45	5,334 24	91 4	24,611 5	151 62	21,545 1	257 05	51,840 04	201 67

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