

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

04210504

Name of Company

7 Days Limited

~~I/We~~

Mark Willis
Prospect House
11-13 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1NU

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 11/10/2012 to 10/10/2013

Signed



Date

4/12/13

Compass Financial Recovery & Insolvency Limited
Prospect House
11-13 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1NU

Ref 7DAY1/MW/NIC/EW

COMPANIES HOUSE

MONDAY



A30

A2MUT74I

09/12/2013

#51


**7 Days Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 11/10/2012 To 10/10/2013	From 11/10/2011 To 10/10/2013
	ASSET REALISATIONS		
1,000 00	Plant & Machinery	NIL	1,538 67
500 00	Furniture & Fittings	NIL	10 00
103,074 00	Book Debts	NIL	100,665 41
998 00	Uncalled Share Capital	NIL	NIL
14,771 00	Cash at Bank	NIL	13,131 20
NIL	Prepayments	NIL	NIL
	Rates Refund	NIL	937 79
	Bank Interest Net of Tax	47 27	121 01
	Sundry Refund	NIL	20 86
		<u>47 27</u>	<u>116,424 94</u>
	COST OF REALISATIONS		
	Specific Bond	NIL	420 00
	Liquidator's Remuneration	7,000 00	17,000 00
	Companies House Search	NIL	3 00
	Agents/Valuers Fees (1)	NIL	1,160 55
	Legal Fees (1)	1,000 00	1,000 00
	Postage	32 12	75 00
	Photocopying/Stationery	69 10	153 20
	Storage Costs	176 15	176 15
	Re-Direction of Mail	NIL	27 20
	Statutory Advertising	NIL	306 00
		<u>(8,277 37)</u>	<u>(20,321 10)</u>
	PREFERENTIAL CREDITORS		
	DE Arrears & Holiday Pay	NIL	5,396 42
(19,734 00)	Employee Arrears/Hol Pay	3,217 83	12,594 29
		<u>(3,217 83)</u>	<u>(17,990 71)</u>
	FLOATING CHARGE CREDITORS		
	Floating Charge Creditor	NIL	1,463 38
		<u>NIL</u>	<u>(1,463 38)</u>
	UNSECURED CREDITORS		
(235,453 00)	Trade & Expense Creditors	43,766 55	43,766 55
(547,268 00)	Employees	12,702 61	12,702 61
	DE	6,346 17	6,346 17
(56,498 00)	HM Revenue & Customs-PAYE/NIC/C	1,560 03	1,560 03
(143,445 00)	Landlord	NIL	NIL
(59,734 00)	Asset Finance Companies	7,159 88	7,159 88
		<u>(71,535 24)</u>	<u>(71,535 24)</u>
	DISTRIBUTIONS		
(1,000 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(942,789.00)</u>		<u>(82,983.17)</u>	<u>5,114.51</u>
	REPRESENTED BY		
	Vat Receivable		3,979 62

Bank 1 Current
Vat Payable

1,444 62
(309 73)

5,114.51



Mark Willis
Liquidator

**The Insolvency Act 1986
&
The Insolvency Rules 1986 (with 2010 amendments)
&
7 DAYS LIMITED
(In Creditors Voluntary Liquidation)**

Liquidator's Annual Progress Report to Creditors & Members

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APPENDICES

- A Receipts and Payments Account from 11/10/12 to 10/10/13 with cumulative figures for the period 11/10/11 to 10/10/13**
- B Time Analysis for the period 11/10/11 to 10/10/12**
- C Cumulative Time Analysis for the period 11/10/11 to 10/10/13**
- D Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9**

1 Introduction and Statutory Information

- 1.1 I, Mark Stephen Willis now of Compass Financial Recovery & Insolvency Ltd, formerly of Buchlers LLP, Prospect House, 11-13 Lonsdale Gardens, Tunbridge Wells, Kent TN1 1NU was appointed as Liquidator of 7 Days Limited (the Company) on 11 October 2011. This report provides an update on the progress in the liquidation for the year ended 10 October 2013.
- 1.2 The principal trading address of the Company was 112 Jermyn Street, London SW1Y 6LS. The business traded under the name 7 Days Limited.
- 1.3 The registered office of the Company was changed to c/o Buchlers LLP, Prospect House, 11-13 Lonsdale Gardens, Tunbridge Wells, TN1 1NU prior to liquidation on 28 September 2011 and its registered number is 04210504.

2 Realisation of Assets

- 2.1 Attached at Appendix A is my Receipts and Payments Account for the period from 11 October 2012 to 10 October 2013 with cumulative figures for the duration of the liquidation to 10 October 2013.

Uncalled Share Capital

- 2.2 Prior to the change in share ownership in October 2010 there was uncalled capital shown in the Company's accounts, of £998. Attempts to identify who specifically was accountable have not been resolved, however the time and cost of further enquires and the pursuit of the balance have persuaded me that it is not materially beneficial to creditors to protract this any further.

Other Realisations

- 2.3 The only income during the second year of liquidation has been bank deposit interest, net of tax, of £47.

3 Investigations

- 3.1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS). As this is a confidential report, I am not able to disclose the contents

4 Creditors

Secured Creditors

- 4.1 HSBC Bank plc held a floating charge over the Company's assets under a debenture granted in October 2003. As outlined earlier in this report, the bank was not listed as a creditor in the statement of affairs because the account appeared to be in credit. When it emerged that the account was overdrawn the bank lodged a formal claim in the liquidation for £1,463. This sum was discharged during the first year of liquidation

Preferential Creditors

- 4.2 A summary of preferential claims is detailed below

	Statement of Affairs £	Insolvency Practice £	Actual £
<i>Employee claims (Total number of claims =10)</i>	12,595	19,734	12,595
Department for Business Innovation & Skills (BIS)	5,396	N/A	5,396

- 4.3 Preferential creditors were paid in full on 14 September 2012

Unsecured Creditors

- 4.4 During the course of the year unsecured claims were finalised. I agreed 33 claims valued at £448,710. This compared with an estimated £1,042,398 in the statement of affairs. There were considerable reductions to employee notice pay claims and the landlord's claim
- 4.5 The Company granted a floating charge to HSBC Bank plc in October 2003. Accordingly, I was required to create a fund out of the Company's net floating charge property for unsecured creditors. However, the claim of the secured creditor was discharged hence the provisions of section 176 of the Insolvency Act were academic in relation to this case.
- 4.6 On 10 February 2013 I was able to declare an interim first dividend to unsecured creditors of 10 pence in the £ and this was followed on 7 October 2013 when a second, final dividend was declared to unsecured creditors of 6.5 pence in the £. The value of the second dividend was £29,166. By the anniversary date there remained one payment to be remitted, which was

awaiting receipt of a VAT refund into the liquidation estate. Since then the dividend has been remitted. The letter to creditors accompanying remittance of the second dividend confirmed that no further dividend would be declared.

5 Liquidator's Remuneration

- 5.1 The Creditors' Meeting held on 11 October 2011 approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation.
- 5.2 My time costs for the period from 11 October 2012 to 10 October 2013 are £6,942. This represents 33 hours at an average rate of £210.36 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation. The overwhelming majority of time incurred during the second year was related to the agreement of unsecured claims, almost 22 hours of time valued at £4,430.
- 5.3 Appendix C attached is a cumulative time analysis for the duration of the liquidation to 10 October 2013, showing 93.2 hours of time costs incurred valued at £19,088 with an average hourly rate of £204.81.
- 5.4 During the year a sum of £7,000 for remuneration was drawn against time costs totalling £19,088. To the anniversary date, £17,000 plus VAT has been drawn on account. The appendix contains a brief description of tasks undertaken within the principal task classifications.
- 5.5 Attached as Appendix D is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.
- 5.6 From 11 October 2012 to 10 October 2013 the following Category 2 disbursements have been taken:

- *Stationery/Photocopying* £69

Category 1 disbursements taken during the same period comprise:

- *Postage/archive storage* £208

6 Liquidator's Expenses

- 6 1 Legal expenses of £1,000 have been incurred in the year ending 10 October 2013 and paid to Isadore Goldman, solicitors for assistance in respect of resolving creditor claims. They were selected because of their acknowledged expertise in insolvency related issues.

7 Creditors' rights

- 7 1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.
- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

8 Next Report

- 8 1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors. I am currently reviewing closing expenses and following recovery of a final VAT refund will be in a position to circulate creditors and shareholders with a draft of my final report and notice of final meetings of creditors and shareholders.



MARK WILLIS
Liquidator

2 December 2013

Enc

**7 Days Limited
(In Liquidation)**

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 11/10/2012 To 10/10/2013 £	From 11/10/2011 To 10/10/2013 £
RECEIPTS			
Plant & Machinery	1,000 00	0 00	1,538 67
Furniture & Fittings	500.00	0 00	10 00
Book Debts	103,074 00	0.00	100,665.41
Uncalled Share Capital	998 00	0.00	0 00
Cash at Bank	14,771.00	0 00	13,131.20
Prepayments	NIL	0.00	0.00
Rates Refund		0.00	937.79
Bank Interest Net of Tax		47 27	121.01
Sundry Refund		0 00	20.86
Vat Payable		0 00	309.73
		<u>47 27</u>	<u>116,734.67</u>
PAYMENTS			
Furniture & Fittings		0 00	0.00
Prepayments		0.00	0 00
Specific Bond		0 00	420.00
Liquidator's Remuneration		7,000 00	17,000.00
Companies House Search		0 00	3 00
Agents/Valuers Fees (1)		0.00	1,160 55
Legal Fees (1)		1,000 00	1,000.00
Postage		32.12	75 00
Photocopying/Stationery		69.10	153.20
Storage Costs		176 15	176.15
Re-Direction of Mail		0 00	27.20
Statutory Advertising		0 00	306.00
DE Arrears & Holiday Pay		0.00	5,396.42
Employee Arrears/Hol Pay	(19,734 00)	0.00	9,376.46
Floating Charge Creditor		0.00	1,463.38
Trade & Expense Creditors	(235,453.00)	53,420.63	53,420.63
Employees	(547,268 00)	10,208.41	10,208.41
DE		6,346.17	6,346.17
HM Revenue & Customs-PAYE/NIC/C Ta	(56,498 00)	1,560 03	1,560.03
Landlord	(143,445.00)	0.00	0.00
Asset Finance Companies	(59,734.00)	0.00	0.00
Ordinary Shareholders	(1,000.00)	0.00	0 00
Vat Receivable		1,655 47	3,979.62
PAYE & NI		0.00	3,217.83
		<u>83,968.09</u>	<u>117,790.06</u>
BALANCE - 10 October 2013			<u><u>1,444.62</u></u>



Mark Willis
Liquidator

Time Entry - SIP9 Time & Cost Summary

7DAY1 - 7 Days Limited
Project Code POST
From: 11/10/2012 To: 10/10/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	B/F	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.60	3.00	1.00	1.30	0.00	5.90	1,192.00	202.03
Brought Forward	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case Specific Matter	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.80	12.60	1.80	5.60	0.00	21.80	4,430.00	203.21
Investigations	0.00	0.00	0.00	0.40	0.00	0.40	40.00	100.00
Realisation of Assets	0.80	0.80	0.00	0.00	0.00	1.40	400.00	285.71
Statutory	0.50	3.00	0.00	0.00	0.00	3.50	880.00	251.43
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	3.70	19.20	2.80	7.30	0.00	33.00	6,942.00	210.36

Description of work undertaken within above categories:

Admin & Planning & Statutory

Case planning/Administrative Set-Up/Appointment notification/Maintenance of case records/Statutory reporting

Investigations

SIP 2 review/CDDA report/Investigating antecedent transactions

Asset Realisations

Identifying, securing & insuring assets/Retention of Title/Debt collection/Property, business & asset sales

Creditors

Communication with creditors/Creditor claim processing (including employees/preferential/secure/unsecured)Dividends

Time Entry - SIP9 Time & Cost Summary

Appendix C

7DAY1 - 7 Days Limited
Project Code POST
From 11/10/2011 To 10/10/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	B/F	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.30	4.80	10.70	1.60	0.00	18.40	3,253.00	176.79
Brought Forward	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case Specific Matter	0.00	0.60	0.10	0.00	0.00	0.90	197.00	218.89
Creditors	2.10	28.20	10.30	7.50	0.00	48.10	9,590.50	199.39
Investigations	0.60	3.60	0.40	0.40	0.00	5.00	1,126.50	225.30
Realisation of Assets	1.20	10.70	0.40	0.00	0.00	12.30	2,852.50	231.91
Statutory	2.60	4.80	1.10	0.00	0.00	8.50	2,069.00	243.41
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	7.80	52.90	23.00	9.50	0.00	93.20	19,085.50	204.81

Description of work undertaken within above categories

Admin & Planning & Statutory

Case planning/Administrative Set-Up/Appointment notification/Maintenance of case records/Statutory reporting

Investigations

SIP 2 review/CDDA report/Investigating antecedent transactions

Asset Realisations

Identifying, securing & insuring assets/Retention of Title/Debt collection/Property, business & asset sales

Creditors

Communication with creditors/Creditor claim processing (including employees/preferential/secure/unsecured)Dividends

COMPASS FINANCIAL RECOVERY & INSOLVENCY LIMITED

FEE CHARGING AND DISBURSEMENT POLICY

Details about how an office holder's fees are approved in any insolvency procedure are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9). Copies of these guides can be accessed at www.r3.org.uk, or a hard copy may be requested from Compass Financial recovery & Insolvency Ltd.

Once the basis of the office holder's remuneration has been approved a periodic report will be provided to any Committee and also to each creditor. This will provide a breakdown of the remuneration drawn, the time costs incurred and the average rates of such costs per type of work. The report will also (in respect of assignments commenced after 6 April 2010) advise creditors how they can obtain further information and/or seek to challenge the remuneration.

Time cost basis

This is the basis that we use in the majority of our cases, and we use charge out rates appropriate to the skills and experience of any member of staff and the work they perform. In this regard:

- Office Holders and staff are allocated a charge out rate which is reviewed periodically
- Time is recorded in 6 minute units
- All case related administration including cashing will be charged to the estate
- Post appointment fees other than the final fee will be drawn in arrears
- Time billed is subject to VAT

With effect from 1st January 2012 the charge out rates are.

		2011
• Office holder	£320 per hour	£300
• Manager	£240 per hour	£225
• Administrators	£150 per hour	£140
• Assistants and Support staff	£100 per hour	£90

Disbursement policy

In accordance with SIP 9 the basis of disbursement allocation will be fully disclosed to creditors. They are categorized as either Category 1 or Category 2.

Category 1: These will generally comprise external supplies of incidental services specifically identifiable to the case and referable to an invoice. These disbursements are recoverable in full without the prior approval of creditors. Examples are statutory advertising, external meeting room hire, external storage, insurances, company search fees, external printing and postage (charged at cost).

Category 2: These are expenses incurred by Compass Financial Recovery & Insolvency Ltd relevant to the case which are not evidenced by a third party invoice. They are recoverable in full subject to the basis of the charge being approved by creditors in advance. Examples and their proposed recovery rates are:

- Photocopying and printing will be charged at 10 pence per sheet.
- Incoming faxes will be charged at 20 pence per sheet.
- Outgoing faxes will be charged at 10 pence per sheet
- File opening charge £5 per lever arch file.
- Letterhead will be charged at 15 pence per sheet.
- Internal storage will be charged at £50 per box per annum
- Internal Meeting room hire will be charged at £50 per meeting
- Mileage is charged at 60 pence per mile