

# 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

04341497

Name of Company

28 Black Limited


I / We

Kevin Lucas, 32 Stamford Street, Altrincham, Cheshire, WA14 1EY

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 08/02/2015 to 07/02/2016

Signed



Date

7 April 2016

Lucas Johnson Limited  
32 Stamford Street  
Altrincham  
Cheshire  
WA14 1EY

Ref: B0006/KL/WT/AY

WEDNESDAY



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COMPANIES HOUSE

**28 Black Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

<b>Statement of Affairs</b>	<b>From 08/02/2015 To 07/02/2016</b>	<b>From 08/02/2013 To 07/02/2016</b>
<b>ASSET REALISATIONS</b>		
Trf funds from Administration	NIL	35,908.82
Bank Interest Gross	28.82	92.91
Service charge refund	NIL	5.49
	<u>28.82</u>	<u>36,007.22</u>
<b>COST OF REALISATIONS</b>		
Specific Bond	NIL	280.00
Administrator's Remuneration	NIL	5,000.00
Liquidators Expenses	NIL	758.92
Corporation Tax	NIL	10.26
Statutory Advertising	70.00	70.00
	<u>(70.00)</u>	<u>(6,119.18)</u>
<b>PREFERENTIAL CREDITORS</b>		
DE Arrears & Holiday Pay	NIL	1,185.33
TAX & NIC on Employee Claims	NIL	61.48
Unclaimed Dividend	NIL	186.52
	<u>NIL</u>	<u>(1,433.33)</u>
<b>FLOATING CHARGE CREDITORS</b>		
(436,535.00) Floating Charge Creditor	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>(436,535.00)</b>	<b><u>(41.18)</u></b>	<b><u>28,454.71</u></b>
<b>REPRESENTED BY</b>		
Vat Receivable		65.89
Bank 1 Current		28,388.82
		<u>28,454.71</u>

## **28 BLACK LIMITED - IN CREDITORS VOLUNTARY LIQUIDATION**

**Liquidator's Third Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986  
For the period from 8 February 2015 to 7 February 2016**

**28 BLACK LIMITED - IN LIQUIDATION  
FOR THE PERIOD FROM 8 FEBRUARY 2015 TO 7 FEBRUARY 2016**

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**28 BLACK LIMITED - IN LIQUIDATION  
FOR THE PERIOD FROM 8 FEBRUARY 2015 TO 7 FEBRUARY 2016**

**1. STATUTORY INFORMATION**

Date of Winding Up Resolution: 08 February 2013

Name of Liquidator: Kevin Lucas of Lucas Johnson Limited, 32 Stamford Street,  
Altrincham, WA14 1EY

Date of appointment: 08 February 2013

Company name: 28 Black Limited ("the Company")

Trading styles: n/a

Registered number: 04341497

Registered office: 32 Stamford Street, Altrincham, Cheshire, WA14 1EY

**2. INTRODUCTION**

- 2.1 Kevin Lucas was appointed Liquidator on the 8 February 2013 following the Company's move from Administration to Creditors Voluntary Liquidation in accordance with Paragraph 83 of Schedule B1 of the Act.
- 2.2 This is the third annual progress report to creditors and covers the period from 8 February 2015 to 7 February 2016 and is issued pursuant to Section 104A of the Insolvency Act ("the Act") to provide creditors with an update on the progress of the Liquidation.

**3. PROGRESS OF THE LIQUIDATION**

**3.1 Realisations**

As previously reported all asset realisations were realised in the preceding Administration and therefore no further realisations are expected.

**4. RECEIPTS AND PAYMENTS ACCOUNT**

- 4.1 A Receipts and Payments Account for the period is attached at Appendix 1.

**5. LIQUIDATOR'S REMUNERATION AND DISBURSEMENTS**

- 5.1 The basis upon which the Liquidator charges remuneration was agreed by creditors in the earlier Administration. Accordingly the Liquidator may draw remuneration based on the time spent by the Liquidator and his staff in attending to matters arising in the Liquidation, plus VAT and disbursements.
- 5.2 The Liquidator's time costs for the period 8 February 2015 to 7 February 2016 are £3,810 and are shown in more detail in Appendix 2. This represents 20.60 hours at an average hourly rate of £184.95. Time has been mainly spent on administration and planning and agreeing creditors' claims.

**28 BLACK LIMITED - IN LIQUIDATION**  
**FOR THE PERIOD FROM 8 FEBRUARY 2015 TO 7 FEBRUARY 2016**

- 5.3 The Liquidator's total time costs to 7 February 2016 are £10,755. This represents 61.50 hours at an average hourly rate of £174.88.
- 5.4 The Liquidator has drawn no remuneration in the period of this report.
- 5.5 Disbursements incurred by the Liquidator are split into two categories. Category 1 disbursements are items of specific expenditure that are directly related to the case and are usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred. Category 2 disbursements are items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation. These have been previously approved by creditors at the meeting of creditors and details of rates can be seen at Appendix 3. Category 2 disbursements incurred are shown at Appendix 2.
- 5.6 During the Liquidators appointment, Category 2 disbursements of £ 540 plus VAT have been drawn.
- 5.7 As required by Statement of Insolvency Practice Number 9, a schedule of the Liquidator's charge out rates and disbursement charging policies is shown at Appendix 3.
- 5.8 A copy of 'A Creditors' Guide to Liquidators' Fees' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set is available at <http://www.lucasjohnson.co.uk/downloads/fee-guides/>. Alternatively, if you require a hard copy of the Guide, please contact the Liquidator's office accordingly.
- 5.9 Under Rule 4.131 of the Insolvency Rules 1986, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors or the permission of the court, may, where it is believed the basis or quantum of remuneration or expenses charged by the Liquidator are, in all the circumstances, excessive or inappropriate, apply to the court within 8 weeks of receiving this progress report for an order under Rule 4.131, adjusting the remuneration or expenses.

**6. LIQUIDATOR'S EXPENSES**

- 6.1 Details of the Liquidator's expenses paid during the reporting period are shown on the receipts and payments account at Appendix 1. There are also various expenses incurred for which payment has not yet been made. For clarity, all expenses incurred are set out below:

Expense Incurred	Name of provider	Amount incurred (£)	Amount discharged (£)	Balance Outstanding (£)
Statutory Advertisement	TSO – London Gazette	218.92	218.92	Nil

**7. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS**

*Outcome for Secured Creditors*

- 7.1 As previously reported, CPI Apparel (Holdings) Limited ("CPI") have a fix and floating charge over assets of the Company created 21 October 2011 and registered 9 November 2011 at Companies House.

**28 BLACK LIMITED - IN LIQUIDATION  
FOR THE PERIOD FROM 8 FEBRUARY 2015 TO 7 FEBRUARY 2016**

7.2 A first dividend of £40,000 was paid to CPI under their floating charge during the Administration period.

7.3 A second and final dividend to CPI is will be shortly distributed.

*Outcome for Preferential Creditors*

7.4 To date, preferential creditors' claims have been received in the sum of £1,433.33.

7.5 A first and final dividend of 100p in the £ totalling £1,433.33 was paid to preferential creditors on the 22 April 2014.

*Prescribed Part pursuant to Section 176A of the Act*

7.6 Under Section 176A of the Act a liquidator is required to set aside a proportion of the realisations for unsecured creditors where there is a secured creditor who holds a qualifying floating charge created on or after 15 September 2003. This is known as the Prescribed Part.

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

However, a liquidator is not required to set aside the prescribed part 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)).

7.7 As there is a qualifying floating charge registered at Companies House dated 9 November 2011, the Prescribed Part under Section 176A of the Act is applicable in this case.

7.8 There will be a distribution of the prescribed part to unsecured creditors as the Company's net property is in excess of the minimum amount prescribed.

*Outcome for Unsecured Creditors*

7.9 As per the Administration Statement of Affairs ("SoA") unsecured creditor claims were £79,701. Claims totalling £99,795.94 have been received to date.

7.10 The Liquidator has agreed unsecured creditor claims and will undertake a distribution of the prescribed part shortly.

*Investigations*

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

**28 BLACK LIMITED - IN LIQUIDATION  
FOR THE PERIOD FROM 8 FEBRUARY 2015 TO 7 FEBRUARY 2016**

*Statement under Rule 4.49E*

- 7.12 Within 21 days of receipt of this report, a secured creditor or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors has the right to make a request in writing to the Liquidator for further information about remuneration or expenses set out in that progress report. If no response is received within 14 days any creditor has the right to apply to court within the subsequent 21 day period to compel the Liquidator to provide the information.

*Next Report to Creditors*

- 7.13 The next report to creditors will be sent out to creditors following the next anniversary of the Liquidation or the convening of the final meetings whichever may be sooner.

**Kevin Lucas  
Liquidator  
26 February 2016**



**APPENDIX 1 – RECEIPTS AND PAYMENTS ACCOUNT**

**28 BLACK LIMITED - IN LIQUIDATION**

**RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD 8 FEBRUARY 2015 TO 7 FEBRUARY 2016**

**28 Black Limited  
(In Liquidation)**

**LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 08/02/2015 To 07/02/2016 £	From 08/02/2013 To 07/02/2016 £
<b>RECEIPTS</b>			
Trf funds from Administration		0.00	35,908.82
Bank Interest Gross		28.82	92.91
Service charge refund		0.00	5.49
Employee Arrears/Hol Pay		0.00	186.52
Vat Receivable		0.00	1,089.89
Vat Control Account		0.00	1,089.89
		<u>28.82</u>	<u>38,373.52</u>
<b>PAYMENTS</b>			
Specific Bond		0.00	280.00
Administrator's Remuneration		0.00	5,000.00
Liquiators Expenses		0.00	758.92
Corporation Tax		0.00	10.26
Statutory Advertising		70.00	70.00
DE Arrears & Holiday Pay		0.00	1,185.33
Employee Arrears/Hol Pay		0.00	186.52
TAX & NIC on Employee Claims		0.00	61.48
Unclaimed Dividend		0.00	186.52
Floating Charge Creditor	(436,535.00)	0.00	0.00
Vat Receivable		14.00	1,155.78
Vat Control Account		0.00	1,089.89
		<u>84.00</u>	<u>9,984.70</u>
<b>BALANCE - 07 February 2016</b>			<u><u>28,388.82</u></u>

**APPENDIX 2 – SIP 9 TIME ANALYSIS AND CATEGORY 2 DISBURSEMENTS**

**28 BLACK LIMITED - IN LIQUIDATION**

**TIME ANALYSIS FOR THE PERIOD 8 FEBRUARY 2015 TO 7 FEBRUARY 2016**

# Time Entry - SIP9 Time & Cost Summary

B0006 - 28 Black Limited  
All Post Appointment Project Codes  
From: 08/02/2015 To: 07/02/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.00	2.40	4.00	6.90	13.30	1,902.50	143.05
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.20	7.10	0.00	0.00	7.30	1,907.50	261.30
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>0.20</b>	<b>9.50</b>	<b>4.00</b>	<b>6.90</b>	<b>20.60</b>	<b>3,810.00</b>	<b>184.95</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>259.46</b>	

**Time Entry - SIP9 Time & Cost Summary**  
**Category 2 Disbursements**

B0006 - 28 Black Limited  
From: 08/02/2015 To: 07/02/2016

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose		Amount
02/04/2015	Stationery	Postage & Stationery	190.00
Total			190.00

## **APPENDIX 3 – LUCAS JOHNSON**

### **CHARGE OUT RATES AND DISBURSEMENT POLICY EFFECTIVE FROM 1 JANUARY 2016**

#### **Fee Accrual**

The Office Holder is the general name for the Insolvency Practitioner dealing with the case affairs.

In accordance with the Insolvency Act 1986 and Insolvency Rules 1986, the Office Holder shall charge appropriate fees for dealing with the case affairs.

It is usual practice for the agreement of fees to be sought on the basis of time properly incurred in dealing with the case. However on occasion it is necessary to seek agreement of fees as a fixed percentage of assets realised and/or distributions made, or indeed a defined fixed fee.

The precise basis of how fees are to be incurred will be formally given to creditors prior to agreement being sought.

The legal agreement and basis upon which post appointment fees are agreed is determined by the relevant category of creditors, details of which are explained within the respective independent creditors' guides to fees.

Unless otherwise advised, fees shall be drawn on account from the case funds as and when realisations allow, subject to agreement.

#### **Estimation of Fees**

Under the Insolvency Rules 2015, where an Office Holder wishes to seek the agreement of fees on a time costs basis, he is required to give creditors full details of not only what he believes such fees to be, but what works shall be done in relation to those fees.

Because it is quite difficult to contemplate what a case will involve before appointment, we have gathered information to work out average time required to complete similar work for this type of appointment.

The fee estimate for time costs has been proposed using average data from this review. This forms the basis of our time costs projection.

This forecast is based upon the firm's policy in relation to the projection of fees for this type of insolvency. Calculations have been made using specific details of the case such as the type of realisations, number of creditors and the anticipated duration of the case prior to closure.

#### **Fees Charged on Fixed Fee Basis**

Fixed fees are per matter. For example correspondence with creditors may be charged at a fixed rate of £50 per creditor per annum, similarly employees, directors, shareholders may all be charged on a fixed cost basis per annum. Any costs shown for these fees should not usually change from that guide provided.

#### **Fees on a Percentage Basis**

Where it is intended that fees be drawn on a percentage basis, for example the realisation of assets, or the distribution of funds, these fees can only be calculated on the amount of funds to be dealt with. This final fee may therefore be lower than that information provided in our guide or indeed not at all.

#### **Contingent Fees**

Contingent fees (where applicable) are those which are only payable on the recovery of a windfall and the later distribution to creditors where a dividend can be paid. All contingent fees, whether for the recovery of a windfall or contingent asset are fixed at 20%.

All future distributions are to be charged at 10%, irrespective of whether the initial forecast shows a distribution to be payable.

#### **Fee Basis**

In order to simplify information, the basis for post appointment fee shall simply be referred to as our Fee Policy.

#### **Staff**

Each member of staff involved with the case will time charge on an individual basis. The hourly cost of each member of staff shall be calculated in accordance with their experience and resultant grade within the practice.

In view of the complexity of the work involved, it is not practice policy to use sub contractors, however we reserve the right to do so should the case require. Details of any sub contractor used and the reasons why shall be provided within the respective statutory report SIP 9 detail.

#### **VAT**

Services provided by Insolvency practitioners are subject to VAT, except when acting as Nominee or Supervisor of an estate.

Our fees will be subject to VAT at the appropriate rate.

*Where the case is not registered for VAT, VAT shall be shown as an irrecoverable expense of the estate.*

#### **Disbursements**

Every case dealt with will incur expenses in addition to fees.

Expenses will cover a number of areas, such as advertising, insolvency practitioner insurance and legal fees.

Where the Office Holder or his firm pays these out of their own funds (e.g. the firm's office account) these will be classed as Disbursements. The Office Holder is required to explain the amount and nature of such disbursements whenever a formal abstract of accounts is produced.

Regulations require that we separate category 1 and 2 disbursements for your information. An explanation of which is as follows:

##### Category 1 Disbursements:

Category 1 disbursements are expenses directly attributable to the case, where exact costs can be ascertained and recharged without profit. These can, but are not limited to, include insolvency bonds, advertising, company searches, post redirection orders, postage, external room hire, external storage as well as public transport and accommodation costs incurred by staff whilst attending to the administration of the estate.

##### Category 2 Disbursements

Category 2 disbursements are additional overheads that relate to the estate but are either not directly attributable to it, or the exact cost is not ascertainable and therefore cannot be precisely recharged. These expenses include, inter alia, stationery, photocopying and storage costs.

Any authorised category 2 disbursements which have been charged shall be shown in the statutory abstract of accounts

The following are a current schedule of category 2 disbursements which may <sup>(\*)</sup> be charged by Lucas Johnson

- Mileage shall be recharged at 50pence per mile
- Destruction of boxes shall be recovered as a category 1 expense; and
- Storage of books and records at £30 per box per annum
- Fixed charge for the issue of each circular at £10 per relevant party per annum.
- Internal meeting room (where required) charged at £50 per hour or part thereof.

(\*) Lucas Johnson does not ordinarily recover all category 2 disbursements, but reserves the right to do so, where such disbursements are substantial and appropriate sanction has been obtained.

The following items of expenditure will normally be treated as general office overheads by the Office Holder and will not be charged to the case:

- Telephone and facsimile
- Printing and photocopying
- Stationery
- Email addresses or telephone numbers set up and used exclusively for the case
- Destruction of boxes

#### **Disclosure of Use of Connected Parties**

Please note that where it is necessary to use the services of an external agent who is associated to the Office Holder's business by way of common directors and/or shareholders, it is advised by law, that this shown as a category 2 disbursement. Kindly note that no additional profit element will be charged in regard to these services, if applicable. At the effective date of this policy, the Office Holder had no connection with any external agent.

## Charge Out Rates

A table of current hourly charge out rates are provided below:

Charges for usual cases	(£)
Partner/Director/Consultant	350
Manager/Senior Manager	250-275
Assistant Manager	225
Administrator/Senior Administrator	150-200
Cashier <sup>(#)</sup>	100
Junior and Support Staff	100

A table of hourly charge out rates prior to 31 December 2015 provided below:

Charges for usual cases	(£)
Partner/Director/Consultant	300
Manager/Senior Manager	200-250
Assistant Manager	190
Administrator/Senior Administrator	125-175
Cashier <sup>(#)</sup>	75
Junior and Support Staff	75

(#) Please note that time charged by our cashiers relates only to accounting matters relevant to the case.

The basis upon which the Office Holder determines the appropriate charge out rate on the complexity of the case is detailed in the respective independent creditors' guides to fees, available to download from our company website or by email from this office.

Further, the Office Holder reserves the right to uplift both the hourly rates and category 2 disbursements periodically without further recourse to the creditors. By law, such increases must be disclosed to creditors within each statutory report.

## Support Staff

In an effort to minimise costs to the case, it is necessary to use support staff to undertake certain matters. Support staff time is charged in the same manner as technical staff on the rates outlined above.

## Recording of Fees

Time is formally recorded in prescribed categories in units of 6 minutes. All units of time properly spent, shall be recorded on a formal time management system and retained throughout appointment, irrespective of the basis of fees.

## Reporting of Fees

All reports and correspondence detailing fees incurred and indeed drawn will provide the legal basis upon which fees have been incurred and from whom sanction was given in relation to those fees.

Such information shall be contained within statutory progress reports and be in the prescribed form. When providing such a report, under existing insolvency regulations, creditors are able to request further and better particulars of fees and disbursements where they believe further explanation is required.

The exact basis of how requisite members and creditors may request such information will be attached with each statutory progress report subsequently issued.

## Code of Ethics

I am required to advise you at the earliest opportunity, that I am bound by the Code of Ethics of my regulator ICAEW.