

**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

04509912

Name of Company

Absolute Beauty UK Limited

I / We

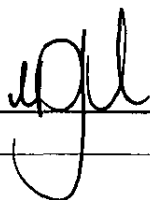
Adam Peter Jordan, 3 The Courtyard, Harris Business Park, Hanbury Road, Stoke Prior, Bromsgrove B60 4DJ

Nickolas Garth Rimes, 3 The Courtyard, Harris Business Park, Hanbury Road, Stoke Prior, Bromsgrove B60 4DJ

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 23/04/2014 to 22/04/2015

Signed



Date

22/6/15

Rimes & Co
3 The Courtyard
Harris Business Park
Hanbury Road
Stoke Prior
Bromsgrove, B60 4DJ

Ref ABSO1090/AJ/NR/KC

TUESDAY



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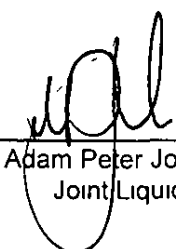
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COMPANIES HOUSE

Absolute Beauty UK Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 23/04/2014 To 22/04/2015
	ASSET REALISATIONS	
	Cash at Bank	61 07
	Bank Interest Gross	0 07
		<u>61 14</u>
	UNSECURED CREDITORS	
(150 00)	Trade & Expense Creditor	NIL
(24,000 00)	HM Revenue & Customs - VAT	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(1 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
(24,151.00)		<u><u>61 14</u></u>
	REPRESENTED BY	
	Bank 1 Current	61 14
		<u>61 14</u>


 Adam Peter Jordan
 Joint Liquidator

Absolute Beauty UK Limited – in Creditors' Voluntary Liquidation

Joint Liquidators' Progress Report to Members and Creditors for the year ending 22 April 2015

STATUTORY INFORMATION

Company Details

Company Name	Absolute Beauty UK Limited
Previous Name	N/A
Company Number	04509912
Date of Incorporation	13 August 2002
Trading Addresses	70 Slater Street, Leicester, LE3 5AS
Current registered office	Bridge House, Riverside North, Bewdley, Worcestershire, DY12 1AB
Former registered office	70 Slater Street, Leicester, LE3 5AS
Principal trading activity	Beauty Salon

Appointment Details

Date of appointment	23 April 2014
Joint Liquidators appointed	Nickolas Garth Rimes and Adam Peter Jordan
Joint Liquidators' address	3 The Courtyard, Harris Business Park, Hanbury Road, Stoke Prior, Bromsgrove, B60 4DJ

Throughout the Liquidation, the Joint Liquidators have acted jointly and severally

RECEIPTS AND PAYMENTS

Our abstract of Receipts and Payments for the year to 22 April 2015, showing asset realisations in the Liquidation, and how they have been disbursed, is enclosed at **Appendix A**. At all material times, funds have been held in an interest bearing account

RECEIPTS

Cash at Bank

At the date of Liquidation, the company's current account was understood by the Directors to have a nil balance. However, subsequent to our appointment, the bank account was closed and £61.07 was received in the Liquidation bank account

Bank Interest

Liquidation funds have been held in an interest bearing account and 7 pence has been received gross of taxation

All known assets have been realised and no further recoveries are anticipated

INVESTIGATIONS

We have submitted our statutory report to the Department of Business, Innovation and Skills on the conduct of the Directors in accordance with the Insolvent Companies (Report on Conduct of Directors) Rules 1996 and the Company Directors Disqualification Act 1986. The content of this report is, however, strictly private and confidential.

We also have a duty to investigate the extent of the company's assets, including potential claims against third parties including the Directors and to report our findings to creditors, subject to considerations of privilege and confidentiality and whether those investigations and/or any potential litigation might be compromised.

During the course of the Liquidation, it was brought to our attention that on 18 December 2013, legal proceedings had been issued by the company against the Landlord of the trading premises who had increased the annual rent, notwithstanding that the terms of the lease the rent was fixed and increases were prohibited.

The legal proceedings were initially struck out on 11 March 2014.

On 10 April 2014, the lease was assigned to ABSA Limited ("ABSA"), a company of which Natalie Manroe, a Director of the company, is also a Director, for a nominal sum of £1. The legal proceedings were subsequently reinstated on 1 July 2014 in the name of Natalie Manroe.

We considered that the proceeds of any successful claim should be paid to the company and we instructed solicitors, The Wilkes Partnership LLP ("Wilkes"), to review the claims. Wilkes entered into protracted correspondence with solicitors acting on behalf of Ms Manroe, Frisby and Small LLP ("Frisby") and latterly with Ms Manroe herself.

Wilkes wrote to Frisby advising that we considered that the claims were an asset of the company, however we would be willing to consider an offer from Ms Manroe/ABSA in respect of her/it taking an absolute assignment of such right, title and interest, if any, that the company may have and may transfer in respect of both claims. An acceptable offer was not forthcoming.

Wilkes subsequently advised Frisby that, after taking into account the relatively modest level of the claims, the uncertainty of any legal proceedings and the possibility of incurring irrecoverable legal costs, we would be willing to accept an offer of £5,000 from Ms Manroe/ABSA in full and final settlement of all and any claims made by, or capable of being made by, the company and /or the Joint Liquidators against ABSA and/or Ms Manroe arising from the assignment of the lease and bringing the claims.

Ms Manroe responded to Wilkes saying that £5,000 was not financially viable and put forward a counter offer of £1,000. The counter offer was rejected and we made a further counter offer to settle the matter for £3,500.

However, Ms Manroe was not prepared to increase her offer and Wilkes advised that the legal costs of pursuing this matter further would exceed any potential recovery and we took a commercial view not to incur any additional costs and not to pursue the matter any further.

OUTCOME FOR CREDITORS

Secured Creditors and the Prescribed Part

Section 176A of the Act provides that where a company has created a floating charge after 15 September 2003, the Liquidator must make a Prescribed Part of the company's net property available for the unsecured creditors. Net property means the amount that would, if not for this section of the Act, be available for distribution to a floating charge holder out of floating charge assets.

There are no secured creditors. Accordingly the Prescribed Part provisions of the Act whereby a proportion of funds due to a Qualifying Floating Chargeholder has to be set aside for the benefit of unsecured creditors do not apply to the company.

Preferential Creditors

There were no preferential claims identified in the Directors' Estimated Statement of Affairs and no preferential claims have been received during the Liquidation.

Unsecured Creditors

Assets realised have been utilised fully in contributing towards defraying the administrative costs of the Liquidation.

Accordingly, formal notice was given on 16 September 2014 that, in accordance with Rules 4.186 and Rule 11.7 of the Rules, no funds would become available to enable any form of distribution to be made to unsecured creditors.

JOINT LIQUIDATORS' REMUNERATION, DISBURSEMENTS AND EXPENSES

Basis of remuneration and disbursements

At the initial meeting of creditors held pursuant to Section 98 of the Act on 23 April 2014, it was resolved that the Joint Liquidators would be remunerated by reference to time properly spent in dealing with this matter at the firm's standard charge out rates, and that disbursements would be drawn in accordance with the firm's standard tariff.

Since the original approval of the basis of remuneration there has not been a change to the firm's charge out rates and disbursement tariff, a copy of which is attached at **Appendix B**.

Remuneration charged and drawn

Time costs to 22 April 2015 amount to £3,407.50 which represents 21.30 hours at an average hourly rate of £159.98.

A breakdown of these time costs is attached at **Appendix C**. We are required to provide the information in this format by Statement of Insolvency Practice 9.

Creditors will note from the Receipts and Payments Account that we have not yet drawn any remuneration during the Liquidation.

A description of the routine work undertaken since my appointment as Liquidator is as follows:

- 1 Administration and Planning
 - Preparing the documentation and dealing with the formalities of appointment
 - Statutory notifications and advertising
 - Preparing documentation required
 - Dealing with all routine correspondence
 - Maintaining physical case files and electronic case details on IPS
 - Review and storage
 - Case bordereau
 - Case planning and administration
 - Preparing reports to members and creditors
 - Convening and holding meetings of members and creditors
- 2 Cashiering
 - Maintaining and managing the Liquidator's cashbook and bank account
 - Ensuring statutory lodgements and tax lodgement obligations are met
- 3 Creditors
 - Dealing with creditor correspondence and telephone conversations
 - Preparing reports to creditors
 - Maintaining creditor information on IPS
- 4 Investigations
 - Review and storage of books and records
 - Preparing a return pursuant to the Company Directors Disqualification Act
 - Conducting investigations into suspicious transactions
 - Review books and records to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of creditors
 - Instructing and liaising with solicitors in respect of claim against the Director
- 5 Realisation of Assets
 - Liaising with the Company's bank regarding the closure of the account

Disbursements charged and drawn

Details of disbursements charged and drawn are given in **Appendix D**

Category 1 disbursements are in respect of expenses that were directly attributable to the case
Category 2 disbursements required specific authorisation and consist of disbursements that are not specifically identifiable to the case

We have not yet drawn any funds to reimburse disbursements incurred

Expenses charged and drawn

Details of expenses charged and drawn are also given in **Appendix D**

We comment specifically that at the first meeting of creditors held on 23 April 2014, it was resolved that the fees and disbursements of Rimes & Co for assisting the Directors in convening the statutory meetings to place the company into Liquidation, and for assistance in preparing the Statement of Affairs, would be a set fee of £2,000 plus disbursements and VAT. However, due to the lack of realisations, our costs have been settled outside of the Liquidation

FURTHER INFORMATION

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals, is available at our firm's website, www.rimesandco.co.uk and by clicking on 'Resources'. A hard copy of the document can be obtained on request from our Bromsgrove office address

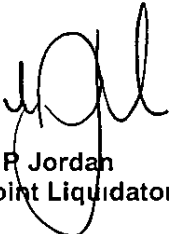
An unsecured creditor may, with the permission of the Court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to Court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to Court within the same time limit.

MATTERS OUTSTANDING

There are no outstanding matters in the Liquidation and accordingly we anticipate being able to issue our draft final report to members and creditors within the next three months.

If you require any further information, please do not hesitate to contact Kate Conneely on 01527 558410 or at the above address.



A P Jordan
Joint Liquidator

Absolute Beauty UK Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Appendix A

Statement of Affairs	From 23/04/2014 To 22/04/2015	From 23/04/2014 To 22/04/2015
ASSET REALISATIONS		
Cash at Bank	61 07	61 07
Bank Interest Gross	0 07	0 07
	<u>61 14</u>	<u>61 14</u>
UNSECURED CREDITORS		
(150 00) Trade & Expense Creditor	NIL	NIL
(24,000 00) HM Revenue & Customs - VAT	<u>NIL</u>	<u>NIL</u>
	NIL	NIL
DISTRIBUTIONS		
(1 00) Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
	NIL	NIL
<u>(24,151 00)</u>	<u>61 14</u>	<u>61 14</u>
REPRESENTED BY		
Bank 1 Current		61 14
		<u>61 14</u>

Absolute Beauty UK Limited - In Creditors' Voluntary Liquidation

Guidance for creditors on charge out rates and allocated disbursements

Charge out rates

It is anticipated that the following grades of personnel will work on this case. Their current charge-out rates are set out below.

Grade of personnel	Hourly charge out rate (£)
Partner	275 - 325
Manager	180 - 275
Administrator	125 - 175
Cashiering & Secretarial	50 - 125

Time is charged in units of 6 minutes. In common with other professional firms, our charge-out rates increase from time to time over the period of administration of a case. Subcontractors, if used, will be recharged at cost.

Allocated disbursements

Details of the proposed charges for which approval is required are set out below.

- Meeting room charge for statutory meetings, charged at £60 per meeting summoned (members' and creditors' meetings on the same day treated as one meeting)
- Facsimiles are charged at £1 per page and photocopying is charged at a cost of 15p per page
- Envelopes for all circulars to creditors are re-charged to the case at 20p per C4 window envelope
- Business rate mileage, at a cost of between 40p and 80p per mile in relation to the running costs of different classes of vehicle

It should be noted that the above costs might increase from time to time. However, this would only be as a result of inflationary increases or in line with increases from my suppliers.

Time Entry - SIP9 Time & Cost Summary

Appendix C

ABSO1090 - Absolute Beauty UK Limited
Project Code POST
From 23/04/2014 To 22/04/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.90	0.00	1.50	4.40	6.80	1,067.50	156.99
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	2.50	0.50	3.00	437.50	145.83
Investigations	0.60	0.00	1.00	0.60	2.20	420.00	190.91
Realisation of Assets	0.50	0.00	8.80	0.00	9.30	1,482.50	159.41
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	2.00	0.00	13.80	5.50	21.30	3,407.50	159.98
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Joint Liquidators' Disbursements Incurred and Paid in the year to 22 April 2015

An analysis of the Joint Liquidators' disbursements is summarised below -

	Incurred £	Unpaid £	Paid £
Category 1			
Insolvency Bond	30 00	30 00	0 00
Postage	2 50	2 50	0 00
Statutory Advertising	150 00	150 00	0 00
	182 50	182 50	0 00
Category 2			
Envelopes	1 00	1 00	0 00
Photocopying	0 75	0 75	0 00
Room Hire	60 00	60 00	0 00
Report Upload	10 00	10 00	0 00
	71 75	71 75	0 00

Joint Liquidators' Expenses Incurred and Paid in the year to 22 April 2015

Details of the Joint Liquidators' expenses are summarised below -

Expense	Paid to	Basis of payment
Nil		