

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

04637056

Name of Company

Cross Keys Hotel, Knutsford 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 03/03/2015 to 02/03/2016

Signed

Date

4/4/16

Lucas Johnson Limited
32 Stamford Street
Altrincham
Cheshire
WA14 1EY

Ref C0031/KL/WT/AY

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COMPANIES HOUSE

**CROSS KEYS HOTEL, KNUTSFORD LIMITED - IN CREDITORS
VOLUNTARY LIQUIDATION**

**Liquidator's First Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986
For the period from 03 March 2015 to 02 March 2016**

**CROSS KEYS HOTEL, KNUTSFORD LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 03 MARCH 2015 TO 02 MARCH 2016**

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Receipts and Payments Account

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**CROSS KEYS HOTEL, KNUTSFORD LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 03 MARCH 2015 TO 02 MARCH 2016**

1. STATUTORY INFORMATION

Date of Winding Up Resolution	03 March 2015
Name of Liquidator	Kevin Lucas of Lucas Johnson Limited, 32 Stamford Street, Altrincham, WA14 1EY
Date of appointment	03 March 2015
Company name	Cross Keys Hotel, Knutsford Limited ("the Company")
Trading styles	n/a
Registered number:	04637056
Registered office:	32 Stamford Street, Altrincham, Cheshire, WA14 1EY

2. INTRODUCTION

- 2.1 A resolution to wind up the above Company was passed on 03 March 2015, when Kevin Lucas was appointed Liquidator.
- 2.2 This is the first annual progress report to creditors and covers the period from 03 March 2015 to 02 March 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 *Goodwill*

The Director's Statement of Affairs ("SoA") showed that the Company had Goodwill with a net book value of £21,175. Given that the Company had ceased to trade and proceeded into Liquidation, no funds were expected to be recovered in this regard.

3.2 *Lease on trading premises*

The SoA showed the Company's lease had a net book value of £31,720 in respect of its trading premises. However, the lease expired in December 2014 and was not renewed. Therefore, the lease had a no realisable value at Liquidation and no realisation was expected in this regard.

3.3 *Plant and Machinery*

According to the SoA, the Company's plant and machinery was shown with a net book value of £11,259. Due to the cost associated with recovering and uplifting these assets being likely to outweigh the benefit of the creditors, no action was taken and no funds were anticipated to be recovered. Therefore, no funds will be received.

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3 4 *Furniture, Fixtures and Equipment*

As per the SoA the Company had furniture, fixtures and equipment with a net book value of £16,846 which related to various tables, chairs and other furniture. Following the appointment of the Liquidator, the decision was taken that it was not deemed commercial to recover the assets as the cost associated with doing so would outweigh the benefit to creditors. Therefore, no realisations are expected.

3 5 *Stock*

Following the cessation of trade it was noted in the Company's SoA that stock had a net book value of £1,500. Following the Liquidators appointment, the Director expressed an interest in purchasing this stock at the net book value. However no funds have been received to date.

3 6 *Future Realisations*

As detailed above, no funds are expected from the sale of the Company's assets with the exception of the stock.

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 at the meeting held pursuant to Section 98 of the Insolvency Act on 03 March 2015. Creditors agreed that the Liquidator could 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 03 March 2015 to 02 March 2016 are £4,165 and are shown in more detail in Appendix 2. This represents 20.50 hours at an average hourly rate of £203.17. Time has been mainly spent on administration and planning and statutory investigations.

5 3 The Liquidator has drawn no remuneration in the period of this report.

5 4 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.

5.5 During the period, no Category 2 disbursements have been drawn.

5.6 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.

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5.7 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.

5.8 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 Advertising	London Gazette	168.66	168.66	Nil
Company Search	Companies House	3.00	3.00	Nil
Specific Bond	AUA Insolvency Risk Services Ltd	36.00	36.00	Nil

7. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

Outcome for Secured Creditors

7.1 There are no secured creditors in this matter.

Outcome for Preferential Creditors

7.2 There are no preferential creditors in this matter.

Prescribed Part pursuant to Section 176A of the Act

7.3 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.

7.4 As there are no qualifying floating charges registered at Companies House, the Prescribed Part does not apply in this matter.

Outcome for Unsecured Creditors

7.5 The SoA detailed unsecured creditors of £55,031.98. As at the date of this report, claims totalling £38,901.78 have been received from unsecured creditors.

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- 7 6 There will be no distribution to creditors, as no funds have been realised. Any future funds realised will be used to defray the cost of the Liquidation.

Investigations

- 7 7 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.

Statement under Rule 4 49E

- 7 8 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 9 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

18 March 2016

**Cross Keys Hotel, Knutsford Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
To 02/03/2016**

S of A £		£	£
	ASSET REALISATIONS		
NIL	Goodwill	NIL	
NIL	Lease on premises at King Street	NIL	
NIL	Plant & Machinery	NIL	
NIL	Furniture, Fixtures & Equipment	NIL	
1,500 00	Stock	NIL	
			NIL
	UNSECURED CREDITORS		
(34,623 98)	Trade & Expense Creditors	NIL	
(408 00)	HM Revenue & Customs - PAYE/NIC	NIL	
(11,000 00)	HM Revenue & Customs - VAT	NIL	
(9,000 00)	HM Revenue & Customs - CT	NIL	
			NIL
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	
			NIL
(53,631 98)			NIL

REPRESENTED BY


Kevin Lucas
Liquidator

APPENDIX 1 – RECEIPTS AND PAYMENTS ACCOUNT

CROSS KEYS HOTEL, KNUTSFORD LIMITED - IN LIQUIDATION

RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD 03 MARCH 2015 TO 02 MARCH 2016

Time Entry - SIP9 Time & Cost Summary

C0031 - Cross Keys Hotel, Knutsford Limited
All Post Appointment Project Codes
From 03/03/2015 To 02/03/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	3.70	1.60	5.80	1.90	13.00	2,687.50	205.19
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.00	0.00	0.60	0.00	1.60	405.00	253.13
Investigations	0.00	0.80	5.10	0.00	5.90	1,092.50	185.17
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
Total Hours	4.70	2.40	11.60	1.90	20.60	4,185.00	203.17
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

Category 2 Disbursements

C0031 - Cross Keys Hotel, Knutsford Limited

From 03/03/2015 To 02/03/2016

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
03/03/2015	Meeting Room Hire	50 00
04/03/2015	Meeting room hire Photocopying and Stationery Postage and Stationary	70 00
Total		120 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.

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 ^(#)	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 ^(#)	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