

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



A07 *A8D10VUQ*
31/08/2019 #153
COMPANIES HOUSE

1 Company details

Company number 0 4 7 2 9 0 8 8

Company name in full Duchamp Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Steven

Surname Muncaster

3 Liquidator's address

Building name/number Duff & Phelps Ltd., The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country

4 Liquidator's name

Full forename(s) Sarah

Surname Bell

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number Duff & Phelps Ltd., The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	d	0	d	5	m	0	m	7	y	2	y	0	y	1	y	8
To date	d	0	d	4	m	0	m	7	y	2	y	0	y	1	y	9

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

d	3	d	0	m	0	m	8	y	2	y	0	y	1	y	9
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name **Sophie Loughnane**Address **Duff & Phelps Ltd., The Chancery****58 Spring Gardens**Post town **Manchester**

County/Region

Postcode

M

2

1

E

W

Country

DX

Telephone

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Progress Report to Creditors

30 August 2019

Duchamp Limited (In Creditors' Voluntary Liquidation)

*Joint Liquidators' Progress Report to Creditors
for the period from 5 July 2018 to 4 July 2019*

Duff & Phelps Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW

Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
Arev	Arev Management Limited and Foldungur Ehf, the holder of a fixed and floating charge over the Company's assets
the Appointment Date	5 July 2016, being the date of appointment of the Joint Liquidators
Category 2 Disbursements	The Joint Liquidators' internal costs and expenses in dealing with the Liquidation
the Company	Duchamp Limited (In Creditors' Voluntary Liquidation) ("the Company") (Company Number: 04729088)
Conance	Conance Limited, the holder of a fixed and floating charge over the Company's assets
DBEIS	Department for Business, Energy & Industrial Strategy
the Director	John Francis Higgins
HMRC	HM Revenue and Customs
the Joint Liquidators	Steven Muncaster and Sarah Helen Bell of Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW
Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Previous Reports	Director's Report to Creditors dated 5 July 2016; Joint Liquidators' Progress Report dated 1 September 2017, and Joint Liquidators' Progress Report dated 29 August 2018
RBSIF	Royal Bank of Scotland Invoice Finance Ltd, with whom the Company had an invoice finance facility, and the holder of a fixed and floating charge over the Company's assets
the Reporting Period	5 July 2018 to 4 July 2019
RPS	Redundancy Payments Service
SIP 9	Statement of Insolvency Practice 9 – Industry Best Practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SOA	Statement of Affairs, documentation supplied by the Director outlining the Company's financial position as at the Appointment Date

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1. Introduction
2. Progress of the Liquidation
3. Investigations
4. Liabilities and Dividends
5. Costs and Expenses
6. Joint Liquidators' Receipts and Payments Account
7. Creditors' Rights
8. Conclusion

Appendices

1. Statutory Information
2. Joint Liquidators' Receipts and Payments Account
3. Analysis of Time Charged and Expenses Incurred
4. Statement of Creditors' Rights

Names of Joint Administrators: Steven Muncaster
Sarah Bell

Date of Appointment: 5 July 2016

Date of Report: 30 August 2019

Appointed by: The creditors of the Company

Registered Office:

Current:
C/o Duff & Phelps
The Chancery
58 Spring Gardens
Manchester
M2 1EW

Former:
Unit 7
Morris House
Swainson Road
London
W3 7UP

1. Introduction

- 1.1 The purpose of this progress report is to detail the Joint Liquidators' acts and dealings together with the conduct of the Liquidation during the Reporting Period.
- 1.2 This report should be read in conjunction with the Previous Reports.
- 1.3 The Company was incorporated on 10 April 2003. The nature of its business was trading as a men's clothing and accessories retailer.
- 1.4 On 5 July 2016, the Director resolved that the Company was unable to pay its debts as they fell due and would be wound-up voluntarily. Steven Muncaster and Sarah Bell were subsequently appointed as Joint Liquidators of the Company on the Appointment Date.
- 1.5 The registered office at Unit 7, Morris House, Swainson Road, London, W3 7UP was changed for the purpose of Liquidation to c/o Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

2. Progress of the Liquidation

- 2.1 The manner in which the affairs and business of the Company have been managed in the Reporting Period, and continue to be managed, are set out below.

Asset Realisations

- 2.2 There have been no asset realisations in the Reporting Period as the Joint Liquidators have realised all known assets of the Company and are now taking steps to close the Liquidation.
- 2.3 Details of asset realisations outside of the Reporting Period, and of the residual assets that were deemed not commercial to realise, are provided in Previous Reports.

Other Assets

- 2.4 There are no further assets of the Company to be realised for the benefit of the estate.

Other Matters

- 2.5 The Joint Liquidators have been made aware of outstanding contributions into the Company's pension scheme prior to the Appointment Date, whereby deductions were made and not paid into the scheme by the Company.
- 2.6 The Joint Liquidators are in the process of submitting such claims on behalf of the former employees to the RPS, who will be responsible for making payments of such pension arrears.
- 2.7 Once this matter has been dealt with, the Liquidation can then be closed.

3. Investigations

- 3.1 The Joint Liquidators have a duty to investigate the Company's affairs and the Director's conduct of all directors within the three years preceding the Appointment Date, including any shadow directors.
- 3.2 The extent of work required covers identifying the Company's assets (including any potential claims against third parties and/or directors) to establish what, if any, recoveries can be made for the benefit of the estate.

- 3.3 An investigation was completed and a corresponding report submitted to DBEIS, the content of which is confidential. These investigations did not highlight the need for any further review or action.

4. Liabilities and Dividends

Secured Creditors

RBSIF

- 4.1 The Company granted a debenture in favour of RBSIF over the Company's book debt ledger on 5 April 2011. The outstanding debt due to RBSIF at the Appointment Date was £34,094, subject to interest and charges which continue to accrue.
- 4.2 Following the Joint Liquidators' appointment, RBSIF collected out the ledger and subsequently satisfied their debt in full. Surplus funds of £13,143 were transferred to the Liquidation estate in 2017.
- 4.3 Whilst RBSIF has not registered its charge as satisfied at Companies House, there are no further monies due to RBSIF.

Conance

- 4.4 The Company granted a fixed and floating charge to Conance on 12 November 2014 in respect of monies advanced to the Company to acquire stock.
- 4.5 At the Appointment Date, the outstanding indebtedness due to Conance was £333,598, subject to accruing interest and charges.
- 4.6 Due to the level of asset realisations, there is no prospect of any distribution being made to Conance from funds realised in the Liquidation.

Arev

- 4.7 On 27 March 2012, the Company granted a fixed and floating charge to Arev in respect of monies advanced to the Company to satisfy cashflow requirements in the ordinary course of trading.
- 4.8 The outstanding sum due to Arev at the Appointment Date was £90,000, subject to accruing interest and charges.
- 4.9 Due to the level of asset realisations, there is no prospect of any distribution being made to Arev from funds realised in the Liquidation.

Preferential Creditors

- 4.10 The Company's 23 employees were made redundant by the Director prior to the Appointment Date.
- 4.11 In accordance with the SOA, total preferential claims are estimated to be approximately £70,000. Where valid preferential claims are admitted, the RPS will subordinate the former employee claims and seek to recover the total sum paid from the Company, however, no such claim has been received from the RPS.
- 4.12 In any event, there is no prospect of any distribution to preferential creditors due to the level of asset realisations and the costs of the Liquidation.

Prescribed Part

- 4.13 Pursuant to section 176A of the Act, where a floating charge is created after 15 September 2003, a *Prescribed Part of the Company's net property shall be made available to non-preferential creditors.*
- 4.14 The Prescribed Part is calculated as a percentage of net property, as follows:
- | | |
|------------------------------------|--|
| Net property less than £10,000: | 50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential creditors would be disproportionate to the benefits |
| Net property greater than £10,000: | 50% up to £10,000 plus 20% thereafter to a maximum of £600,000. |
- 4.15 As the Company granted security to RBSIF, Conance and Arev after 2003, the Prescribed Part provisions apply in this instance.
- 4.16 However based on current information, it is anticipated that the Company's net property will be insufficient to enable a Prescribed Part fund to be created.

Non-Preferential Creditors

- 4.17 According to the SOA, non-preferential creditors totalled £2,022,061
- 4.18 To date, the following claims have been received

Creditor	Claim (£)
Trade & Expense Creditors	1,266,744
HMRC	238,060
Total	1,504,804

- 4.19 As detailed above, due to the level of asset realisations and the costs of the Liquidation, there will be no funds available to enable a distribution to the Company's non-preferential creditors.

5. Costs and Expenses

Joint Liquidators' Remuneration

Pre-appointment Time Costs

- 5.1 The Joint Liquidators fixed pre-appointment SOA fee of £7,500 plus disbursements and VAT, for preparation of the SOA and convening the meeting of creditors, was agreed by creditors on 5 July 2016.
- 5.2 The sum of £7,500 plus VAT was subsequently paid as an expense of the Liquidation following the Appointment Date.

Post-appointment Time Costs

- 5.3 The basis of the Joint Liquidators' remuneration was fixed by reference to the time properly given by them and their staff in attending to matters arising in the Liquidation
- 5.4 Since the Appointment Date, time has been charged in six-minute units. Time costs incurred in the Reporting Period are £3,826 made up of 15 hours at an average cost of £254 per hour, an analysis of which can be found at Appendix 3
- 5.5 In accordance with SIP 9, the Joint Liquidators comment on key areas of time incurred in the Reporting Period, as follows:
- Time costs of £1,401 have been incurred adhering to statutory matters which include preparing and delivering statutory progress reports to the Company's creditors, together with delivering the relevant notices to Companies House
 - The Joint Liquidators have incurred time costs of £802 under the heading Case Review & Case Diary Management with regard to managing the Liquidation generally, reviewing outstanding matters and planning closure matters.
 - A total of £654 has been incurred under Tax Compliance / Planning. This time includes preparing, reviewing and submitting Corporation Tax returns on behalf of the Company for the duration of the Liquidation and liaising with HMRC.
- 5.6 The Joint Liquidators provided a Fee Estimate to the Company's creditors stating that they would incur total time of £67,975 over the life of the Liquidation. Cumulative time costs to date total £77,506
- 5.7 Whilst the Joint Liquidators have exceeded their initial fee estimate, an uplift is not being sought as there is no prospect of the Joint Liquidators drawing remuneration beyond the estimate previously approved
- 5.8 The Joint Liquidators have drawn remuneration of £27,500 plus VAT to date, and it is proposed that a final fee of approximately £6,000 will be drawn in the coming weeks
- 5.9 Any unbilled time costs will be written off as part of the closure process

Expenses and Disbursements

- 5.10 A summary of the Joint Liquidators' expenses and disbursements discharged over the life of the Liquidation are detailed in Appendix 3. No Category 2 disbursements have been drawn.

6. Joint Liquidators' Receipts and Payments Account

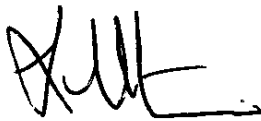
- 6.1 A detailed Receipts and Payments Account for the Reporting Period is shown at Appendix 2
- 6.2 There have been no realisations in the Reporting Period. As at the end of the Reporting Period, there was a cash balance of £5,905.

7. Creditors' Rights

- 7.1 Information regarding the Joint Liquidators' fees and disbursements, including the rights to challenge such costs, are attached at Appendix 4.

8. Conclusion

- 8.1 Creditors will receive formal reports annually until the conclusion of the Liquidation. Upon discharging final costs of the Liquidation, the Joint Liquidators will be in a position to conclude the Liquidation
- 8.2 Based on current information, it is anticipated the Liquidation will conclude by the end of December 2019 and a copy of the Joint Liquidators' Final Progress Report to Creditors will be uploaded onto the Duff & Phelps website in accordance with current insolvency legislation.
- 8.3 In the meantime, if you require any further information please contact Sophie Loughnane of this office



Steven Muncaster
Joint Liquidator

Appendix 1

Statutory Information

Date of Incorporation	10 April 2003
Registered Number	04729088
Company Director	John Francis Higgins
Company Secretary	John Francis Higgins
Registered Office	Current: c/o Duff & Phelps Ltd. The Chancery 58 Spring Gardens Manchester M2 1EW Former: Unit 7, Morris House Swainson Road London W3 7UP

Appendix 2

Joint Liquidators' Receipts and Payments Account

Duchamp Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 05/07/2018 To 04/07/2019 £	From 05/07/2016 To 04/07/2019 £
	SECURED ASSETS		
48,000.00	Book Debts	NIL	NIL
Uncertain	Domain Names	NIL	NIL
	Goodwill	NIL	1.00
		NIL	1.00
	SECURED CREDITORS		
(34,094.00)	RBSIF	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	NIL	8.56
	Book Debt Surplus	NIL	13,143.28
27,079.00	Cash at Bank	NIL	30,204.96
10,000.00	Cash Held with Solicitors	NIL	10,836.79
	Debtor Receipt from John Lewis	NIL	657.19
Uncertain	Fixtures & Fittings	NIL	1.00
Uncertain	Stock	NIL	9,998.00
		NIL	64,849.78
	COST OF REALISATIONS		
	Accountants Fees	1,975.00	2,235.00
	Agents/Valuers Fees	NIL	2,000.00
	Bank Charges	NIL	33.97
	Insurance of Assets	NIL	754.24
	Land Registry Charges	NIL	11.00
	Legal Fees	NIL	7,995.00
	Liquidators' disbursements	NIL	912.37
	Liquidators' remuneration	NIL	27,500.00
	Pre Insolvency Remuneration	NIL	7,500.00
	Statutory Advertising	NIL	338.40
	Storage Costs	15.00	61.46
	Third Party Funds	NIL	9,202.93
		(1,990.00)	(58,544.37)
	PREFERENTIAL CREDITORS		
(70,054.00)	Employees Arrears of Wages & Holida	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(975,000.00)	Duchamp Holdings Ltd	NIL	NIL
(173,871.00)	Employees - Redundancy & PILON	NIL	NIL
(155,275.00)	HMRC - PAYE	NIL	NIL
(41,079.00)	HMRC - VAT	NIL	NIL
(99,996.00)	KJAC	NIL	NIL
(576,840.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(2,042,130.00)		(1,990.00)	6,306.41
	REPRESENTED BY		
	Floating/main current account		5,905.41
	General VAT control account		3.00
	VAT receivable		398.00
			6,306.41

Appendix 3

Analysis of Time Charged and Expenses incurred

70894 DUCHAMP LIMITED

ANALYSIS OF LIQUIDATORS TIME COSTS FOR THE PERIOD 05/07/2018 to 04/07/2019

CVL-Creditors Vol Liquidation - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.00	0.30	2.00	0.75	0.00	3.05	802.25	263.03
Cashiering & accounting	0.00	0.00	0.30	0.50	0.00	0.80	200.00	250.00
Statutory matters (Meetings & Reports & Notices)	0.00	0.00	3.95	2.05	0.00	6.00	1,401.00	233.50
Strategy planning & control	0.00	0.50	0.70	0.00	0.00	1.20	416.50	347.08
Tax Compliance / Planning	0.00	1.20	0.00	1.30	0.00	2.50	653.50	261.40
Creditors								
Communications with Creditors / Employees	0.00	0.00	0.00	0.50	0.00	0.50	57.50	115.00
Prof claims adjudication & distribution	0.00	0.00	1.00	0.00	0.00	1.00	295.00	295.00
Total Hours:	0.00	2.00	7.95	5.10	0.00	15.05		254.20
Total Fees Claimed: £	0.00	840.00	2,363.25	622.50	0.00		3,825.75	

Duchamp Limited (In Liquidation)
Joint Liquidators' Expenses of the Administration

Company	Activity	Fee Basis	Reporting Period	
			Incurred £	Paid £
Professional Advisors				
Booth Ainsworth	Accountant fees	Time Costs	1 975 00	1 975 00
			1,975.00	1,975.00
Disbursements - Category 1				
Total Data Management	Storage of Company records	Fixed Fee	15 00	15 00
			15 00	15.00
Total			1,990.00	1,990.00

The above costs exclude VAT

No Category 2 disbursements have been incurred or paid

The Joint Administrators' choice of professional advisors is based on their perception of the experience and ability of the respective firms' individuals to perform their work, the complexity and nature of the assignment and the basis of their fee

Appendix 4

Statement of Creditors' Rights

STATEMENT OF CREDITORS' RIGHTS

Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)

Section numbers refer to Insolvency Act 1986

'Office-holder' is the current Administrator or Liquidator as applicable

Information for creditors on remuneration and disbursements of administrators

Information regarding the fees and disbursements of liquidators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Liquidators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandpHELPS.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/creditor-guides-and-employee-fact-sheets>

(click on the document 'Liquidation (appointment from 1 October 2015)'). Should you require a copy, please contact this office.

Creditors have the right to request information from the office-holder under rule 18.9

A secured creditor, a non-preferential creditor with the concurrence of at least 5% in value of the non-preferential creditors (including the creditor in question) or any non-preferential creditor with the permission of the court may make a written request to the office-holder for further information concerning remuneration or expenses. Such a request must be made within 21 days of receipt of this report and a response will be provided within 14 days of receipt of the request.

Creditors have recourse to court, application to be made within 21 days of the office-holder giving reasons for not providing all the information requested or the expiry of the 14 days within which an office-holder must respond to a request.

Creditors have the right to challenge the office-holder's remuneration and expenses under rule 18.34

A secured creditor, a non-preferential creditor with the concurrence of at least 10% in value of the non-preferential creditors (including that creditor) or any non-preferential creditor with the permission of the court, may make an application to court on the grounds that the remuneration charged, or expenses incurred are excessive and/or that the basis fixed for the office-holder's remuneration is inappropriate. The application to court must be made no later than eight weeks after receipt of the Progress Report where the charging of the remuneration or the incurring of expenses in question occurs.