

**CITY FOOD LIMITED - IN LIQUIDATION**

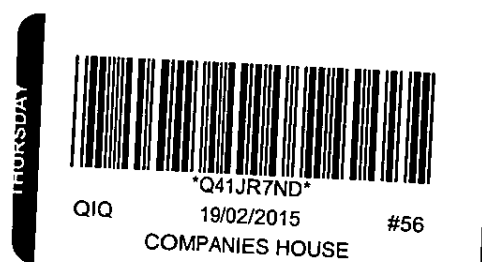
**REGISTERED NO: 05119064**

**CROYDON COUNTY COURT**

**109 OF 2010**

**FINAL REPORT**

**17 February 2015**



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## **1 INTRODUCTION**

I was appointed Liquidator of City Food Limited ("the Company") by the Secretary of State on 22 February 2010 following the making of a winding-up order on 21 December 2009. I am licensed in the UK by the Institute of Chartered Accountants in England and Wales. I confirm that there has been no change in office-holder since the date of liquidation.

Attached at Appendix I is a copy of my final receipts and payments account from the date of my appointment as liquidator. I confirm that this account has been reconciled with that held at the Insolvency Service.

As regards my administration, I would report as follows:

## **2. CONDUCT OF LIQUIDATION**

The director of the Company initially did not surrender to proceedings.

### **2.1 Assets**

It was established that assets of the business had been transferred to another company 'Halifax Foods Ltd'. Following my appointment, I instructed Hill Dickinson LLP solicitors to provide legal support in this regard.

Exhaustive attempts were made to establish the position, but the director, Mr Salim, did not co-operate fully, and when he did co-operate, gave unclear and contradictory information. My solicitor advised that the only course of action left to me would be to make an application to privately examine Mr Salim pursuant to Section 236 of the Insolvency Act 1986. Due to the difficulty of serving Mr Salim, and the potential cost of issuing the application and retaining counsel, my solicitor advised the cost of proceeding with the application would outweigh any benefit to the bankruptcy estate.

### **2.2 Bank transactions**

Enquiries were made into various NatWest bank transactions, and it was established that no funds were recoverable in this regard.

## **3. COSTS**

### **3.1 Secretary of State Fees**

Realisation proceeds in bankruptcy matters must be remitted to the Insolvency Services Account at the Bank of England. The fees are a statutory charge made by the Department for Trade and Industry based on a sliding scale percentage of payments made into the Insolvency Services Account. Additional small sums are payable on the issue of each cheque drawn on the account.

### **3.2 Official Receiver's Debit Balance**

The Official Receiver's debit balance is £1,445 and relates to work carried out by the Official Receiver prior to my appointment.

### **3.3 Bank Charges**

There are bank charges of £400 which relate to quarterly charges made by the Insolvency Service.

### **3.4 Petitioning Creditor's Costs**

Creditor's costs of petitioning for the liquidation have not been paid as no realisations were made

### **3.5 Liquidator's Remuneration**

No remuneration has been received in relation to the administration of the liquidation

There are outstanding time costs of £8,777 which are irrecoverable

The hourly charge out rates for the administration of the liquidation estate are summarised below

	£
Director	450
Manager	320-410
Administrator	150-260

Time spent on the administration of the insolvent estate is detailed at Appendix II

Further guidance may be found in "A Creditors' Guide to Liquidator's Fees" which may be downloaded from <http://www.leonardcurtis.co.uk/resources/creditorsguides> If you would prefer this to be sent to you in hard copy please contact this office on 0161 767 1250

## **4. LIABILITIES AND ESTIMATED OUTCOME**

### **4.1 Preferential Creditors**

No preferential claims have been received in this matter

### **4.2 Non-preferential Creditors**

Various non-preferential creditor claims have been received to the value of £137, 384 48 The claims have not been agreed as there is no prospect of a dividend

### **4.3 Distribution**

Notice is hereby given pursuant to Rule 11.7 of the Insolvency Act 1986 that I am unable to declare a dividend to any class of creditor in this case

**APPENDIX I**

**CITY FOOD LIMITED - IN LIQUIDATION  
Croydon County Court 109 of 2010**

**Liquidator's Final Receipts and Payments Account  
For the Period  
22 February 2010 to 17 February 2015**

<b>RECEIPTS</b>	<b>£</b>
	0 00
	<u>0.00</u>
<b>PAYMENTS</b>	
Official Receiver's debit balance	1,445 00
Bank charges	400 00
	<u>1,845 00</u>
<b>BALANCE IN HAND</b>	<u><b>(1,845.00)</b></u>

This account has been reconciled with that held by the Insolvency Service

**City Food Limited**  
(In Compulsory Liquidation)

Appendix II

**Summary of Liquidator's Time Costs**

	Director		Manager 1		Manager 2		Administrator 1		Administrator 2		Administrator 3		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	-	-	21	630 00	33	858 00	42	966 00	20	460 00	28	476 00	144	3,390 00	235 42
Receipts & Payments	-	-	-	-	-	-	-	-	-	-	5	85 00	5	85 00	170 00
Assets	-	-	27	810 00	25	650 00	-	-	-	-	-	-	52	1,460 00	280 77
Liabilities	-	-	-	-	-	-	-	-	-	-	34	578 00	34	578 00	170 00
General Administration	10	395 00	-	-	-	-	-	-	39	819 00	110	1,870 00	159	3,084 00	193 96
Planning & Strategy	-	-	6	180 00	-	-	-	-	-	-	-	-	6	180 00	300 00

Total	10	395 00	54	1,620 00	58	1,508 00	42	966 00	59	1,279 00	177	3,009 00	400	8,777 00	
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**Average Hourly Rate (£)**

	395 00	300 00	260 00	230 00	216 78	170 00	219 43
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**All Units are 6 minutes**

## ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF LEONARD CURTIS REGARDING FEES AND DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

### Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case.

Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 6 January 2014, the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Standard £	Complex £
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

### Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

### Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

### Disbursements

- a) **Category 1 disbursements** These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) **Category 2 disbursements** These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£66.09 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.