

The Insolvency Act 1986

Liquidator's Progress
Report

S.192

Pursuant to Sections 92A and 104A
of the Insolvency Act 1986

To the Registrar of Companies

For Official Use

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Company Number

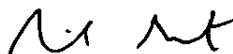
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Name of Company

Urban Chic Interiors Ltd T/A So Bathrooms

I / ~~WE~~David Adam Broadbent
17/25 Scarborough Street
Hartlepool
TS24 7DAthe liquidator(~~s~~) of the company attach a copy of my/our progress report
under section 192 of the Insolvency Act 1986

Signed



Date

05 / 04 / 12

Evolution Business Recovery Services Limited
17/25 Scarborough Street
Hartlepool
TS24 7DA

Ref U001/DB/JT/LT

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Post Room



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COMPANIES HOUSE

Urban Chic Interiors Ltd T/A So Bathrooms
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 16/03/2011 To 15/03/2012
	ASSET REALISATIONS	
NIL	Leasehold Property	NIL
4,800 00	Cash in Hand of Agents	4,800 00
	Bank Interest Gross	2 22
		<u>4,802 22</u>
	COST OF REALISATIONS	
	Preparation of S of A	NIL
	Statement of Affairs Fee	(3,763 87)
	Liquidator's Expenses	(537 60)
	Agents Fees	(500 00)
		<u>(4,801 47)</u>
	FLOATING CHARGE CREDITORS	
(37,000 00)	HSBC Bank Plc (Debenture 26/02/10)	<u>NIL</u>
		NIL
	UNSECURED CREDITORS	
(98,228 00)	Trade & Expense Creditors	NIL
(43,446 00)	Directors	NIL
NIL	HM Revenue and Customs (PAYE)	NIL
(44,413 00)	HM Revenue and Customs (VAT)	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(2 00)	Ordinary Shareholders	<u>NIL</u>
		NIL
<u>(218,289.00)</u>		<u><u>0 75</u></u>
	REPRESENTED BY	
	Bank 1 Current	0 75
		<u><u>0.75</u></u>



David Adam Broadbent
Liquidator

**LIQUIDATOR'S ANNUAL REPORT
FOR THE MEMBERS & CREDITORS OF
URBAN CHIC INTERIORS LIMITED
T/A SO BATHROOMS**

*Evolution Business Recovery Services Limited
17-25 Scarborough Street
Hartlepool
TS24 7DA*

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ANNUAL REPORT TO THE MEMBERS & CREDITORS OF
URBAN CHIC INTERIORS LIMITED
T/A SO BATHROOMS

- 1 Introduction
- 2 Statutory Information
- 3 Asset Realisations
- 4 Payments
- 5 Prescribed Part
- 6 Investigations
- 7 Creditor Claims & Dividends
- 8 Conclusion Prospects

1. INTRODUCTION

Meeting of Shareholders

An Extraordinary Meeting of Shareholders was held at 10 00am on 16 March 2011, and the following resolutions were proposed and passed -

- a) That Urban Chic Interiors Limited be wound up voluntarily, and
- b) That David Adam Broadbent of Evolution Business Recovery Services Limited, 17-25 Scarborough Street, Hartlepool be appointed as Liquidator

Meeting of Creditors

A Meeting of Creditors was subsequently held at 10 30am on 16 March 2011, and the following resolutions were proposed and passed -

- a) That David Adam Broadbent of Evolution Business Recovery Services Limited, 17/25 Scarborough Street, Hartlepool be and are hereby appointed Liquidator for the purpose of such winding up
- b) That Evolution Business Recovery Services Limited be remunerated in the sum of £4,000 plus VAT and disbursements, in settlement of their fees for services rendered to the directors in relation to the preparation of the statement of affairs and associated documentation and for convening the general meeting of the company and the meeting of creditors, pursuant to rules 4 38 and 4 62 of the Insolvency Rules 1986 The payment of these fees to be made from the realisation of the company's assets and to be paid in due course
- c) That the Liquidator's remuneration for dealing with matters arising in the liquidation should be calculated by reference to the time costs properly incurred by the Liquidator and his staff and authority is hereby given for the Liquidator to draw the remuneration on this basis
- d) That the Liquidator may draw category 2 disbursements, defined as disbursements that may include an element of profits, using the rates previously circulated to all creditors

2. STATUTORY INFORMATION

<i>Company Name</i>	Urban Chic Interiors Limited	
<i>Company Number</i>	0670 5821	
<i>Trading Name</i>	So Bathrooms	
<i>Former Names</i>	N/A	
<i>Date of Incorporation</i>	24 September 2008	
<i>Nature of Business</i>	Retail Sales	
<i>Authorised Share Capital</i>	Two Ordinary Shares of £1 each	
<i>Issued and fully paid</i>	Two Ordinary Shares of £1 each	
<i>Shareholders</i>	Christopher Snaith Andrew John Simpson	(One Ordinary Share of £1) (One Ordinary Share of £1)
<i>Directors</i>	Christopher Snaith Andrew John Simpson	(from 24 Sept 2008 to date) (from 24 Sept 2008 to date)
<i>Former Directors</i>	N/A	
<i>Company Secretary</i>	Christopher Snaith	
<i>Registered Office</i>	17-25 Scarborough Street, Hartlepool, TS24 7DA	
<i>Formerly</i>	1 Hunters Building Bowesfield Lane Stockton-on-Tees TS18 3QZ 27 Norton Road Stockton-on-Tees Cleveland TS18 2BW	
<i>Trading Address</i>	1 Hunters Building Bowesfield Lane Stockton-on-Tees TS18 3QZ 12 Guiseley Way Eaglescliffe Stockton on Tees TS16 0RF	
<i>Debenture</i>	HSBC Bank Plc (Created on 26 February 2010 / Registered on 27 February 2010)	

3 ASSET REALISATIONS

Cash in Hand (of Agents)

As outlined in the Director's Report, the company owned equipment with a book value (as at 28 February 2010) of £11,505, a small amount of stock (with a cost value of £3,500), and a website domain

Independent agents, Michael Steel & Co of Leeds, viewed the assets and confirmed that (on an "ex-situ" basis) they have a total realisable value of £750

These assets were purchased (prior to my appointment) by So Home Improvements Limited, a company under the control of the directors, for the sum of £4,000 plus VAT – payment was made in full to the agents, who held the funds pending the appointment of a Liquidator

Shortly after my appointment, these funds were paid across, as outlined on the attached Receipts & Payments Account

The realisations made were therefore in line with the amount anticipated in the Estimated Statement of Affairs

Improvements to Leasehold Property

As outlined in the Director's Report, the company had capitalised improvements made to the leasehold premises, with a book value (as at 28 February 2010) of £3,961 – it was not, however, anticipated there would be any material recovery made, as the improvements were undertaken to the former trading premises, which had been abandoned by the company

No realisation has been made in this respect

Bank Interest

Bank interest in the sum of £2 22 has accrued on funds invested over the duration of the case

4 PAYMENTS

Statement of Affairs fee

As outlined earlier in this report, a resolution was passed at the Meeting of Creditors, in relation to my pre-appointment costs, as follows -

"That Evolution Business Recovery Services Limited be remunerated in the sum of £4,000 plus VAT and disbursements, in settlement of their fees for services rendered to the directors in relation to the preparation of the statement of affairs and associated documentation and for convening the general meeting of the company and the meeting of creditors, pursuant to rules 4 38 and 4 62 of the Insolvency Rules 1986 "

As shown on the attached Receipts & Payments Account, I have drawn the sum of £3,763 87 against these costs

Liquidator's Remuneration

A further resolution (outlined earlier in this report) was also passed at the Meeting of Creditors, in relation to my post-appointment costs, as follows -

"That the Liquidator's remuneration for dealing with matters arising in the liquidation should be calculated by reference to the time costs properly incurred by the Liquidator and his staff and authority is hereby given for the Liquidator to draw the remuneration on this basis "

A copy of the original charge-out rates is appended to this report

As required by Statement of Insolvency Practice 9 ("SIP 9"), I attach a schedule detailing my costs incurred on this case, which you will note total £6,427 50 over 58 75 hours, at an average hourly charge-out rate of £109 40 per hour

There are insufficient funds to cover these costs

Category One Disbursements

As outlined on the attached schedule, SIP 9 defines "Category One Disbursements" as being expenses directly attributable to the insolvent estate, paid to an independent third party, which are recoverable from the insolvent estate (without further creditor approval)

The following disbursements have been incurred and recovered from the case -

	£
Bordereau	30 00
Statutory Advertising	226 80
Companies House searches	6 00
Travel costs	26 80

Category Two Disbursements

As outlined on the attached schedule, SIP 9 defines "Category 2 Disbursements" as being expenditure incidental to the administration of the insolvent case, which includes an element of shared or allocated costs including payments to the Insolvency Practitioner's firm or connected parties

Details of these were circulated to creditors prior to my appointment, and (as outlined earlier in this report) the following resolution was passed at the Meeting of Creditors in relation to same -

"That the Liquidator may draw category 2 disbursements, defined as disbursements that may include an element of profits, using the rates previously circulated to all creditors"

The following disbursements have been incurred and recovered from the case -

	£
Room Hire	100 00
Stationery & Postage	150 00

Other Professionals

As outlined earlier in this report, third party professionals have been used in this matter, as follows -

Michael Steel & Co (Agent)

As detailed earlier, independent agents have been instructed to assist with the valuation and sale of the company's assets

Their costs in this matter total £500 plus VAT, and have been paid in full

Dickinson Dees (Solicitors)

Solicitors have been instructed to assist me in my investigations into the company's affairs

No fee has been drawn by the solicitors

5 PRESCRIBED PART

Section 176A of the Insolvency Act 1986 relates to companies in Liquidation, where the business has created a Floating Charge after 15 September 2003. As outlined above, a Debenture in favour of the HSBC Bank PLC was created on 26 February 2010.

Section 176A states that the Liquidator shall make a "prescribed part" of the company's "net property" available for the satisfaction of unsecured debts, and shall not distribute that part to the proprietor of a floating charge, except in so far as it exceeds the amount required for the satisfaction of the unsecured debts.

The "net property" is the amount of its property which would (but for section 176A) be available for satisfaction of claims of holders of debentures secured by, or holders of, any floating charge created by the company.

Should, however, the "net property" be less than the prescribed minimum (£10,000), then the section does not apply. In this instance, the "net property" is £4,802.22, is less than the prescribed minimum, and section 176A does not therefore apply.

6. INVESTIGATIONS

A final return has been submitted on the directors' conduct and actions prior to my appointment as Liquidator.

I am, however, precluded from divulging the contents of the report to creditors, as it is a confidential document between an office-holder and the Department for Business, Innovation and Skills.

7. CREDITOR CLAIMS / DIVIDENDS

Preferential Creditors

As outlined in the Directors Report, the company had no preferential creditors.

I have, however, received a preferential creditor claim in the sum of £2,401.04 from the Redundancy Payments Office in respect of payments made to former employees of the company.

Enquiries are being undertaken to confirm why this wasn't included in the directors' Estimated Statement of Affairs.

There are insufficient realisations to enable a dividend to be made to preferential creditors in this matter.

Secured Creditors

As outlined in the Directors Report, the company had one secured creditor (HSBC Bank PLC), who is owed the sum of £37,000.

Although I have not received a formal claim from the secured creditor, they confirmed the balance owing to them was £37,865 as at 10 October 2011.

Their claim is therefore in line with the directors' estimates.

There are insufficient realisations to enable a dividend to be made to the secured creditors in this matter.

Non-Preferential Creditors

As outlined in the Directors Report, the company had unsecured creditors totalling £186,087

Since the date of my appointment, I have received a number of claims from unsecured creditors, as outlined below (shown against the director's original estimates) -

	Estimate £	Claim £
Trade (claims received) (x17)	63,498	65,393
Trade (claim received) (x1)	-	4,093
Trade (no claim received) (x20)	34,730	N/A
Employees / Redundancy Payments Office	-	216
Directors' Loan Account (x2)	43,446	N/A
H M Revenue & Customs (CIS)	-	12,976
H M Revenue & Customs (VAT)	<u>44,413</u>	<u>64,019</u>
	<u>£186,087</u>	<u>£146,697</u>

You will note from the above that the claims received from trade creditors are (in total) not materially different from the directors' estimates – I have, however, received a claim from one trade creditor who was not included on their original list – I am also yet to receive claims from twenty other trade creditors

A claim has been received from H M Revenue & Customs as regards unpaid CIS deductions – the claim was not included in the directors' original list, and the matter is therefore being investigated

A claim has also been received from H M Revenue & Customs as regards unpaid VAT, which is materially different from the directors' estimate – the claim is, however, based on estimates for latter trading periods and further investigation is therefore required to clarify the actual quantum

A small claim has also been received from the Redundancy Payments Office in respect of payments made to former employees of the company, which was not included in the directors' original Estimated Statement of Affairs

There are insufficient realisations to enable a dividend to be made to unsecured creditors in this matter

8 CONCLUSION PROSPECTS

As mentioned earlier in this report, investigations are continuing regarding the differences between creditor claims received to date (and those shown in the directors' original Estimated Statement of Affairs), as well as a number of other items

Once the investigations are concluded, I will be in a position to convene a Final Meeting of Creditors

As required under the new regulations, I will circulate a draft Final Report to Creditors (not too dissimilar to this one), and allow a period of eight weeks' time to see whether creditors or shareholders have any objection to the level of remuneration drawn

If any party has a current objection to the level of fees drawn, please would they kindly contact me as soon as possible

Please note that, in accordance with the new regulations, there is no longer any requirement to hold an Annual Meeting of Members or Creditors

Signed



David Adam Broadbent
Liquidator

Dated 5 April 2012

**Urban Chic Interiors Ltd T/A So Bathrooms
(In Liquidation)**

**Income and Expenditure Account
16 March 2011 to 15 March 2012**

INCOME	Total (£)
Cash in Hand of Agents	4,800 00
Bank Interest Gross	2 22
	<hr/>
	4,802 22
	<hr/>
EXPENDITURE	
Statement of Affairs Fee	3,763 87
Liquidator's Expenses	537 60
Agents Fees	500 00
	<hr/>
	4,801.47
	<hr/>
Balance	0.75
	<hr/>
MADE UP AS FOLLOWS	
Bank 1 Current	0 75
	<hr/>
	0.75
	<hr/>

Urban Chic Interiors Limited t/a So Bathrooms - In Liquidation

Schedule of Time Costs (as per SIP 9)

	Partner	Manager	Other Senior Professional	Assistance & Support Staff	Other	Total Hours	Total Cost	Total Cost Average
Administration & Planning	3 80	-	40 90	1 85	-	46 55	5,132 50	110 26
Investigations	0 50	-	4 25	-	-	4 75	550 00	115 79
Realisation of Assets	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-
Creditors	-	-	7 45	-	-	7 45	745 00	100 00
Total Hours	4 30	-	52 60	1 85	-	58 75	6,427 50	109 40

Examples of Work

Administration and Planning

Case Planning
Administrative set-up
Appointment notification
Maintenance of Records
Statutory Reporting

Investigations

SIP2 Review
CDDA Reports
Investigating Antecedant Transactions

Realisation of Assets

Identifying Securing and Insuring Assets
Retention of Title
Debt Collection
Property, Business and Asset Sales

Trading

Management of Operations
Accounting for Trading
On-Going employee issues

Creditors

Communication with Creditors
Creditors' Claims (including Employees and other Preferential Creditors)

EVOLUTION BUSINESS RECOVERY SERVICES LIMITED

CHARGE OUT RATES AND DISBURSEMENTS

Charge Out Rates

It is proposed that the following charge out rates will apply -

	<u>£ / hr</u>
Director	250
Associate Director	200
Senior Manager	150
Case Manager	100
Administrator	50
Support Staff	50

Category 1 Disbursements

Statement of Insolvency Practice 9 defines "Category 1 Disbursements" as being expenses directly attributable to the insolvent estate, paid to an independent third party, which are recoverable from the insolvent estate (without further creditor approval)

Some examples are -

- *Statutory Searches*, from Companies House or the Land Registry,
- *Travel & Subsistence*, incurred by staff members, and
- *Statutory Advertising*, through the London Gazette or other publication

Category 2 Disbursements

Statement of Insolvency Practice 9 defines "Category 2 Disbursements" as being expenditure incidental to the administration of the insolvent case, which includes an element of shared or allocated costs including payments to the Insolvency Practitioner's firm or connected parties

It is proposed that the following charges will apply -

- *Communication Costs*, based on a charge of £5 per creditor / debtor / shareholder / employee (subject to a minimum of £150),
- *Room Hire*, at £100 per formal meeting held, and
- *Document Storage*, at a rate of 40p per box per week