

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

07008623

Name of Company

Academy Furniture And Interiors Ltd

I / We

Andrew John Whelan, 60/62 Old London Road, Kingston Upon Thames, KT2 6QZ

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 01/07/2013 to 30/06/2014

Signed



Date

30/7/14

Marks Bloom
60/62 Old London Road
Kingston Upon Thames
KT2 6QZ

Ref A436/AJW/AN/LP



ACADEMY FURNITURE & INTERIORS LIMITED (IN LIQUIDATION)

ANNUAL PROGRESS REPORT FOR THE YEAR TO 30 JUNE 2014

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ATTACHMENTS

Receipts and Payments Account from 1 July 2013 to 30 June 2014

Time Analysis for the period from 1 July 2013 to 30 June 2014

Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

1 Introduction and Statutory Information

- 1 1 I, Andrew John Whelan of Marks Bloom, 60/62 Old London Road, Kingston upon Thames KT2 6QZ, was appointed as Liquidator of Academy Furniture & Interiors Limited ('the Company') on 1 July 2013. This report provides an update on the progress in the liquidation for the year ended 30 June 2014.
- 1 2 The principal trading address of the Company was 6 Shelveys Way, Tadworth, Surrey KT20 5QN. The principal trading activity was that of sale of furniture and refurbishment of schools and other institutes primarily in the education sector. The business traded under the Company's name.
- 1 3 The registered office of the Company has been changed to 60/62 Old London Road, Kingston upon Thames KT2 6QZ and its registered number is 07008623.

2 Realisation of Assets

- 2 1 Attached is my Receipts and Payments Account for the period from 1 July 2013 to 30 June 2014.

Cash at Bank

- 2 2 Cash at bank was identified in the director's statement of affairs with an estimated to realise value of £3,000. As reported on in the chairman's s98 report, this sum related to the element of the statement of affairs fee already paid pre-liquidation. Immediately post-liquidation, this sum was paid. In addition, on 15 July 2013 a sum of £120.19 was received from Barclays Bank plc in respect of monies paid into the company's bank account pre-liquidation. Total realisations in respect of cash at bank stand at £3,120.19 during the period covered by this report.

Book Debts

- 2 3 Book Debts estimated to total £3,600 were identified on the statement of affairs. This related to the unpaid element of the statement of affairs fee which was to be met by the director personally post-liquidation. A total of £3,650 has been received from source during the period covered by this report.

Other Assets

- 2 4 There were no further assets identified on the statements of affairs. However, at present, I continue to investigate potential further asset recoveries and I am therefore not in a position to conclude the liquidation at the present time.

3 Investigations

- 3 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS). As this is a confidential report, I am not able to disclose the contents.
- 3 2 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. My investigations are ongoing at the date of this report, and I am therefore unable to comment further in order to avoid prejudicing any potential action.

4 Creditors

Secured Creditors

- 4 1 There are no secured creditors

Preferential Creditors

- 4 2 The director's statement of affairs estimated preferential claims at £9,230 00. However, in the period covered by this report, no claims have been received or processed in respect of the entitlements of the former employees

- 4 3 Accordingly, no claim in respect of preferential creditors has been received from the National Insurance Fund

Unsecured Creditors

- 4 4 I have received claims totalling £211,205 95 from 9 creditors. I have yet to receive claims from 6 creditors whose debts total £35,893 30 as per the director's statement of affairs

- 4 5 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors, which only applies where a floating charge was created after 15 September 2003

- 4 6 I would confirm that it is not anticipated that there will be sufficient funds to enable a distribution to be made to unsecured creditors. However, this is dependent on the level of any future realisations

5 Liquidator's Remuneration

- 5 1 At the meeting of creditors held on 4 May 2011, the creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation

- 5 2 My time costs for the period from 1 July 2013 are £3,443 50. This represents 16 45 hours at an average rate of £209 33 per hour. To date, £nil plus VAT has been drawn on account

- 5 3 Attached is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation, which provides details of my time costs since appointment

- 5 4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://www.icaew.com/en/technical/insolvency/creditors-guides>

- 5 5 Attached is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade

- 5 6 Since the date of appointment, no category 2 disbursements have been taken

6 Liquidator's Expenses

- 6 1 All expenses incurred since my appointment as liquidator have been reimbursed and are detailed in full in the attached receipts and payments account

7 Creditors' rights

- 7.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report
- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive

8 Next Report

- 8.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors



A J Whelan
Liquidator
30 July 2014
Enc

Academy Furniture And Interiors Ltd
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 01/07/2013 To 30/06/2014
	ASSET REALISATIONS	
NIL	Plant & Machinery	NIL
3,600 00	Book Debts	3,650 00
3,000 00	Cash at Bank	3,120 19
NIL		NIL
	Bank Interest Gross	0 48
		<u>6,770 67</u>
	COST OF REALISATIONS	
	Specific Bond	30 00
	Preparation of S of A	5,500 00
	Office Holders Expenses	3 00
	Statutory Advertising	225 00
		<u>(5,758 00)</u>
	PREFERENTIAL CREDITORS	
(9,230 00)	Employee Arrears/Hol Pay	NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(65,619 77)	Trade & Expense Creditors	NIL
(2,190 00)	Employees	NIL
(18,300 00)	Banks/Institutions	NIL
(28,114 45)	Inland Revenue	NIL
(40,000 00)	Customs & Excise	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(1 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
(156,855 22)		<u>1,012.67</u>
	REPRESENTED BY	
	Fixed Current A/c	1,012 67
		<u>1,012.67</u>



Andrew John Whelan
Liquidator

MARKS BLOOM

TIME & CHARGEOUT SUMMARIES

Academy Furniture And Interiors Ltd

From 1 Jul 2013 to 30 Jun 2014

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	2 20	2 40	4 00	0 00	8 60	1,839 00	213 84
Investigations	1 20	2 10	0 00	0 00	3 30	816 00	247 27
Realisation of Assets	0 00	0 60	2 10	0 00	2 70	445 50	165 00
Creditors	0 30	0 50	0 80	0 25	1 85	343 00	185 41
Total Fees Claimed £	1,221 00	1,133 00	1,069 50	20 00		3,443 50	
Total Hours	3 70	5 60	6 90	0 25	16 45		
Average Rate	330 00	202 32	155 00	80 00			

CATEGORY 2 DISBURSEMENTS

Type & Purpose	Amount £
Total	

ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

Policy

Detailed below is Marks Bloom's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

Staff allocation and the use of subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We have not utilised the services of any subcontractors in this case.

Professional advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, or document storage. We would confirm that this firm does not seek to charge any Category 2 disbursements.

Charge-out Rates

A schedule of charge-out rates effective from January 2013 is detailed below.

Grade of staff	Charge-out rates per hour	Previous rates from July 2011
Insolvency specialists		
Licensed Insolvency Practitioners	£330	£310
Qualified managers	£200 to £210	£185
Qualified professional staff	£155	£125
Assistants and support staff	£80	£72
Other staff		
Qualified accountancy staff	£120 to £132	£114 to £126
Other professional staff	£99 to £108	£93 to £102
Assistants and support staff	£54 to £72	£51 to £66

The minimum time unit is 6 minutes.