

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

07270410

Name of Company

Proud Brighton Limited

I / We

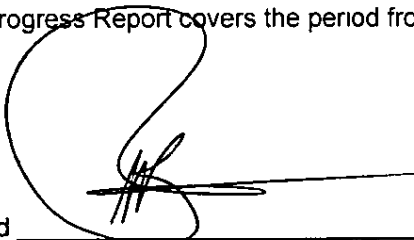
Lloyd Biscoe, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG

Wayne Macpherson, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG

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 31/01/2013 to 30/01/2014

Signed



Date

27/3/14

Begbies Traynor (Central) LLP
The Old Exchange
234 Southchurch Road
Southend on Sea
SS1 2EG

Ref PR234CVL/LCB/WM/DTC/ZLB/DCF


WEDNESDAY



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02/04/2014
COMPANIES HOUSE

**Proud Brighton Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 31/01/2013 To 30/01/2014
ASSET REALISATIONS		
11,490 00	Book Debts re Sale of Assets	NIL
	Cash at Bank	6,000 00
	Bank Interest Gross	1 44
6,000 00	Cash in Hand	NIL
		<u>6,001 44</u>
COST OF REALISATIONS		
	Statement of Affairs Fee	5,000 00
	Storage Costs	136 25
		<u>(5,136 25)</u>
UNSECURED CREDITORS		
(178,908 00)	Trade Creditors	NIL
(21,372 00)	HMRC (PAYE/NIC)	NIL
(30,934 00)	HMRC (VAT)	NIL
(610,142 00)	Proud Power Limited	NIL
(10,568 00)	House Proud Craft	NIL
		<u>NIL</u>
DISTRIBUTIONS		
(1 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(834,435.00)</u>		<u><u>865.19</u></u>
REPRESENTED BY		
	Vat Receivable	27 25
	Bank 1 Interest Bearing Current	837 94
		<u><u>865.19</u></u>


 Lloyd Biscoe
 Joint Liquidator

Proud Brighton Limited (In Creditors' Voluntary Liquidation)

Progress report pursuant to Section 104A of the
Insolvency Act 1986 and Rule 4.49C of the
Insolvency Rules 1986

Period: 31 January 2013 to 30 January 2014

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Proud Brighton Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 31 January 2013
"the liquidators", "we", "our" and "us"	Lloyd Biscoe of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Wayne Macpherson of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s)	N/A
Company registered number	07270410
Company registered office	The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
Former trading address	83 St. George's Road, Brighton, BN2 1EF

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	31 January 2013
Date of liquidators' appointment	31 January 2013
Changes in liquidator (if any)	None

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 31 January 2013 to 30 January 2014

ASSET REALISATIONS

Book Debts re Sale of Assets

The Company's assets including Bar Area, Stock (Wet & Dry), Office Equipment/Furniture and Goodwill were all sold to Proud Publishing Limited, an associated Company on 4 December 2012 in the sum of £14,575 plus VAT. The sale proceeds were to be paid by way of a payment plan and to the end period of this report, other than the cash in hand mentioned below, no realisations have been made. The liquidators have instructed BTMK Solicitors LLP to assist with the collection of sale proceeds and since the report period the sum of £2,872.50 has been received.

Cash at Bank/Cash in Hand

This relates to monies held in the Company's bank account from the sale of assets which was received prior to liquidation.

Bank Interest Gross

The sum of £1.44 has been realised in respect of bank interest gross.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors further to our appointment as liquidators

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows

Secured creditors

There are no secured creditors

Preferential creditors

There are no known preferential claims

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- ☐ 50% of the first £10,000 of net property,
- ☐ 20% of net property thereafter,
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

Unsecured creditors

Based upon realisations to date and estimated future realisations it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors

6. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated

at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 31 January 2013 to 30 January 2014 amount to £4,962 which represents 21 60 hours at an average rate of £229 72 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Table of time spent and charge-out value for the period 31 January 2013 to 30 January 2014
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 30 January 2014, we have not drawn any remuneration, against total time costs of £4,962 incurred since the date of our appointment

To 30 January 2014, we have not drawn any disbursements

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been taken in accordance with the approval obtained are provided in this report

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

Storage Costs

The sum of £136 25 has been paid to Archive Facilities (Southend) Limited for the collection, scheduling and storage of the Company's books and records Archive Facilities (Southend) Limited are associated to partners of Begbies Traynor (Central) LLP and therefore deemed as a category 2 disbursement which requires creditors approval We can advise that approval was obtained at the Section 98 meetings of members and creditors

8. ASSETS THAT REMAIN TO BE REALISED

As previously mentioned above, the realisation of the proceeds from the sale of assets is still outstanding This is currently being collected by solicitors

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

10. CREDITORS' RIGHTS

Right to request further information


Pursuant to Rule 4.49E of the Rules, 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, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



Lloyd Biscoe
Joint Liquidator


Dated 26 March 2014

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 31 January 2013 to 30 January 2014

**Proud Brighton Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 30/01/2014**

S of A £		£	£
	ASSET REALISATIONS		
11,490 00	Book Debts re Sale of Assets	NIL	
	Cash at Bank	6,000 00	
	Bank Interest Gross	1 44	
6,000 00	Cash in Hand	NIL	
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	COST OF REALISATIONS		
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	Storage Costs	136 25	
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	UNSECURED CREDITORS		
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(610,142 00)	Proud Power Limited	NIL	
(10,568 00)	House Proud Craft	NIL	
			NIL
	DISTRIBUTIONS		
(1 00)	Ordinary Shareholders	NIL	
			NIL
(834,435.00)			865.19
	REPRESENTED BY		
	Vat Receivable		27 25
	Bank 1 Interest Bearing Current		837 94
			865.19


Lloyd Biscoe
Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Table of time spent and charge-out value for the period from 31 January 2013 to 30 January 2014

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

OFFICE HOLDERS EXPENSES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 expenses (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 expenses (approval required)* - 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.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors may be charged by some offices and is charged at the rate of £100 (London £150) per meeting. External meeting room usage is charged at cost.
- Car mileage is charged at the rate of 45 pence per mile.

• *Expenses which should be treated as Category 2 disbursements (approval required)* - in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements. The

following items of expenditure which relate to services provided by entities within the Begbies Traynor Group are to be charged to the case (subject to approval)

- Storage of books and records (when not rechargeable as a *Category 1 expense*) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are: Minimum charge of £40 per quarter for up to three boxes, Four to Two Hundred Boxes charged at £11 per quarter per box, over two hundred boxes are charged at half the aforementioned price, (£5.50 per box per quarter). Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited are required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required, and at £15 per hour for each hour thereafter. All figures stated are net.
- BTG Asset Consulting may be engaged to undertake valuations and/or disposal of assets. BTG Asset Consulting is a part of Begbies Traynor Group plc and is therefore an associated company. Their charges are based on 15% of realisations or time costs at a Partner rate of £125 per hour and Manager rate of £100 per hour. A separate charge will be levied for any valuations to be provided at a fixed fee of £500 + VAT. Disbursements are charged at cost and mileage is recovered at 40p per mile. All figures stated are net of VAT.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Southend-on-Sea office are as follows:

Charge-out Rate (£ per hour)	
Grade of staff	From 01 May 2011
Partner	495
Partner 2	N/A
Director	395
Senior Manager	365
Manager	315
Assistant Manager	270
Senior Administrator	235
Administrator	185
Junior Administrator	160
Support	150
	01 July 2008 to 01 May 2011
	450
	395
	375
	350
	300
	250
	220
	180
	150
	150

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff. Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

¹ Statement of Insolvency Practice 9 (SIP 9) - Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)
² Statement of Insolvency Practice 8 (SIP 8) - Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)

[illegible]

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Photocopying and Faxes	Begbies Traynor (Central) LLP	548 20	0 00	548 20
Postage	Begbies Traynor (Central) LLP	142 20	0 00	142 20
Advertising	The Stationery Office	150 00	0 00	150 00
Bonding	Insolvency Risk Services	30 00	0 00	30 00