

LIQ03

Notice of progress report in voluntary winding up



Companies House

TUESDAY



A7ZNØS2Q

A09

19/02/2019

#45

COMPANIES HOUSE

1 Company details

Company number 0 7 9 3 8 2 5 6

Company name in full Reconverse Limited

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

2 Liquidator's name

Full forename(s) Christopher

Surname Latos

3 Liquidator's address

Building name/number 44-46 Old Steine

Street Brighton

Post town BN1 1NH

County/Region

Postcode

Country

4 Liquidator's name ①

Full forename(s) Susan

Surname Maund

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

5 Liquidator's address ①

Building name/number 44-46 Old Steine

Street Brighton

Post town BN1 1NH

County/Region

Postcode

Country

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

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6 **Period of progress report**

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

7 **Progress report**

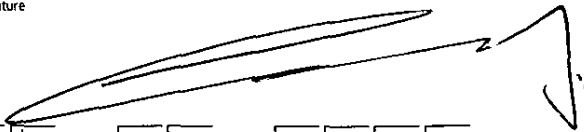
☒ The progress report is attached

8 **Sign and date**

Liquidator's signature

Signature

X



X

Signature date

^d 1	^d 4	^m 0	^m 2	^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	Jamie Pain
Company name	White Maund
Address	44-46 Old Steine Brighton
Post town	BN1 1NH
County/Region	
Postcode	
Country	
DX	
Telephone	01273 731144



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.



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

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

Joint Liquidators' Annual Progress Report to Creditors & Members

**Reconverse Limited
- In Liquidation**

14 February 2019

RECONVERSE LIMITED - IN LIQUIDATION

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- 3** Creditors
- 4** Joint Liquidators' Remuneration
- 5** Creditors' Rights
- 6** Next Report

APPENDICES

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- B** Additional information in relation to Joint Liquidators' Fees, Expenses & Disbursements
- C** *Charge out rates & policy regarding the recharge of disbursement recovery pursuant to Statement of Insolvency Practice No.9 ("SIP9")*

RECONVERSE LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Christopher Latos, together with my partner Susan Maund, of White Maund, 44-46 Old Steine, Brighton, BN1 1NH, was appointed as Joint Liquidator of Reconverse Limited ("the Company") on 20 December 2016. This progress report covers the period from 20 December 2017 to 19 December 2018 ("the Period") and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://whitemaund.co.uk/wp-content/uploads/2018/07/WM-Privacy-Policy.pdf>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.3 The principal trading address of the Company was 70c High Street, Whitstable, Kent, CT5 1BB.
- 1.4 The registered office of the Company has been changed to White Maund, 44-46 Old Steine, Brighton, East Sussex, BN1 1NH and its registered number is 07938256.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Liquidator and his staff.
- 2.2 At Appendix A is my Receipts and Payments Account for the Period together with a cumulative Receipts and Payments Account for the period from the date of my appointment as Joint Liquidator to the end of the Period.

Administration (including statutory compliance & reporting)

- 2.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees estimate/information.
- 2.4 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidators.
- 2.5 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

Sale of Business

- 2.6 Creditors will recall the following the Company entering liquidation, an agreement was reached with the directors whereby they purchase the goodwill and assets of the Company for £6,500. This sum has been received in full.
- 2.7 A further term of the sale was that should the directors' new company exceed turnover of £400k in its first year of trading then 20% of the net profits would be paid into the liquidation. The Joint Liquidators are currently looking into this condition of sale and a further update will be provided in the next report to creditors.
- 2.8 It is considered that the work the Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company

RECONVERSE LIMITED - IN LIQUIDATION

Creditors (claims and distributions)

- 2.9 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.10 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.11 The above work will not necessarily bring any financial benefit to creditors generally, however the Joint Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Joint Liquidators in dealing with those claims.

Investigations

- 2.12 You may recall from my first progress report to creditors that some of the work the Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidators can pursue for the benefit of creditors.
- 2.13 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential.
- 2.14 Since my last progress report I would advise that no further asset realisations have come to light that may be pursued by me for the benefit of creditors.

Matters still to be dealt with

Sale of Business

- 2.15 The Joint Liquidators are currently looking into the additional sum required that may be payable as detailed above.

Tax Returns

- 2.1 The Joint Liquidators will ensure that all post appointment VAT and CT Returns are completed and filed at HM Revenue & Customs.

3 Creditors

Unsecured Creditors

- 3.2 I have received claims totalling £149,021 from 3 creditors. I have yet to receive claims from eight creditors whose debts total £58,331 as per the Company's statement of affairs.
- 3.3 I would confirm that it is anticipated there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

4 Joint Liquidators' Remuneration

- 4.1 Creditors approved that the basis of the Joint Liquidators' remuneration be set at a fixed fee of £10,000 plus VAT. My fees information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.

RECONVERSE LIMITED - IN LIQUIDATION

- 4.2 The Joint Liquidators have drawn £7,449 against the total set fee approved by creditors.
- 4.3 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <https://www.icaew.com/technical/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides>.
- 4.4 Attached at Appendices B and C is additional information in relation to the Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Creditors' Rights

- 5.1 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 Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 5.2 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 Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidators, as set out in this progress report, are excessive.

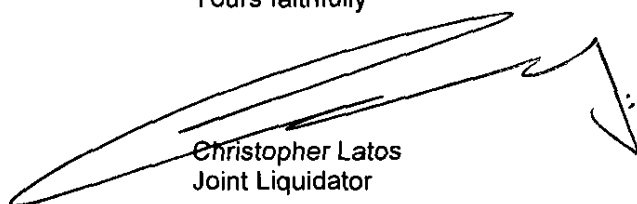
6 Other Payments to White Maund

- 6.1 At a creditors meeting held on 20 December 2016, the creditors authorised the Joint Liquidators to draw, as an expense of the liquidation, the sum of £5,000 plus VAT in respect of the preparation of the Statement of Affairs and convening the meetings to place the Company into liquidation. This amount has been drawn during the period.

7 Next Report

- 7.1 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 account.
- 7.2 If you have any queries in relation to the contents of this report, please contact Jamie Pain of this office on 01273 731144 or by email at jamiép@whitemaund.co.uk.

Yours faithfully



Christopher Latos
Joint Liquidator

**Reconverse Limited
(In Liquidation)**

Joint Liquidators' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 20/12/2016 To 19/12/2017 (£)	From 20/12/2017 To 19/12/2018 (£)	Total (£)
Book Debts	5,310.00	6,360.30	0.00	6,360.30
Sale of Business		6,500.00	0.00	6,500.00
Water Rates Refund		30.10	0.00	30.10
Bank Interest Gross		0.00	5.83	5.83
		12,890.40	5.83	12,896.23
PAYMENTS				
Specific Bond		60.00	21.00	81.00
Preparation of S. of A.		0.00	5,000.00	5,000.00
Office Holders Remuneration		0.00	7,448.88	7,448.88
Office Holders' Cat 2 Disbursements		0.00	85.47	85.47
Statutory Advertising		0.00	280.88	280.88
		60.00	12,836.23	12,896.23
Net Receipts/(Payments)		12,830.40	(12,830.40)	0.00
MADE UP AS FOLLOWS				
Bank 1 Current		12,830.40	(12,830.40)	0.00
		12,830.40	(12,830.40)	0.00

Additional Information in Relation to the Joint Liquidators' Fees, Expenses & Disbursements**1 Staff Allocation and the Use of Sub-Contractors and Professional Advisors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 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.
- 1.3 We are not proposing to utilise the services of any sub-contractors or professional advisors in this case.

2 Joint Liquidators' Expenses & Disbursements

- 2.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below:

Statutory advertising	281
Specific penalty bond	81
Category 2 disbursements charged by the firm:	
Business mileage	85

Current position of Joint Liquidators' expenses

- 2.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total £
Statutory advertising	0	281	0	281
Specific penalty bond	0	81	0	81
Category 2 disbursements				
Business mileage	0	85	0	85

- 2.3 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. These disbursements are included in the tables of expenses above.
- 2.4 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, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

White Maund

CHARGE OUT RATES & POLICY REGARDING THE RECHARGE OF DISBURSEMENT RECOVERY PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE No. 9 (SIP9)

1 CHARGE-OUT RATES

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 June each year are as follows:

Staff	Charge out rate up to 28/02/2017 Per hour (£)	Charge out rate up to 30/09/2017 Per hour (£)	From 01/10/2017 Per hour (£)
Directors	275	275	275
Manager	220	-	-
Administrators	80-125	80-125	90 - 150
Assistants & Support Staff	70	70	75

2 DISBURSEMENT RECOVERY

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

2.1 Category 1 Disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by White Maund and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

2.2 Category 2 Disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by White Maund and recharged to the case; they are not attributed to the case by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The firm's current policy is that it recharges Category 2 disbursements as follows:

Expense	Recharge £
Destruction of books and records (per box)	2.50
Reports / Letters etc – per creditor	3.25
Correspondence – per debtor	2.00
Mileage at HMRC approved rate – per mile	0.45

All costs are subject to VAT, where applicable and reflect the actual cost of the materials or services used.