

**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

2460533

Name of Company

Roughly Red Limited (Formerly Racing Green)

I / We  
S C E Mackellar  
The Zenith Building  
26 Spring Gardens  
Manchester  
M2 1AB

S J Appell  
10 Fleet Place  
London  
EC4M 7RB

the liquidator(s) of the company attach a copy of my/our progress report  
under section 192 of the Insolvency Act 1986

Signed



Date

18.1.12

Zolfo Cooper  
The Zenith Building  
26 Spring Gardens  
Manchester  
M2 1AB

Ref RR01CVY/PAR/NST/MT

For Official Use

Insolvency Sect

Post Room

THURSDAY



\*A10V5VJC\*

A19

19/01/2012

#366

COMPANIES HOUSE

DATED 16 June 2011

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POWER OF ATTORNEY  
by  
STUART CHARLES EDWARD MACKELLAR

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 **ZOLFO COOPER**  
10 Fleet Place  
London  
EC4M 7RB

This power of attorney is made on 16 JUNE 2011 by STUART CHARLES EDWARD MACKELLAR of TORONTO SQUARE, TORONTO STREET, LEEDS, LS1 2HT (Principal)

## **1 APPOINTMENT AND POWERS**

The Principal appoints the persons whose names and addresses are set out in Schedule 1 to this power of attorney (Attorneys and each an Attorney) and in the Principal's name and in his/her professional capacity as an insolvency practitioner, including (but not limited to) any appointment as administrator, receiver, administrative receiver, liquidator, nominee or supervisor of a company voluntary arrangement or individual voluntary arrangement or trustee in bankruptcy or any analogous or associated appointment or procedure in whatever jurisdiction:

- 1.1 to sign, execute, deliver and/or issue all agreements, documents, certificates and instruments (all whether as a deed or not) which any Attorney in his or her absolute discretion considers desirable in connection with the Principal's appointment as one of the joint [administrators][liquidators][trustees in bankruptcy] (the Stated Purpose).
- 1.2 to take any steps or do any thing which any Attorney in his or her absolute discretion considers desirable in connection with the Stated Purpose.

## **2 POWER BY WAY OF SECURITY**

This power of attorney shall be irrevocable save with the consent of the Attorneys but shall expire on 31 JULY 2012.

## **3 RATIFICATION**

The Principal undertakes to ratify and confirm whatever any Attorney does or purports to do in good faith in the exercise of any power conferred by this power of attorney.

## **4 VALIDITY**

The Principal declares that a person who deals with any of the Attorneys in good faith may accept a written statement signed by the relevant Attorney to the effect that this power of attorney has not been revoked as conclusive evidence of that fact.

## **5 INDEMNITY**

The Principal undertakes to indemnify each of the Attorneys fully against all claims, losses, costs, expenses, damages or liability which any of them sustains or incurs as a result of any action taken by any of them in good faith pursuant to this power of attorney (including any cost incurred in enforcing this indemnity).

## **6 GOVERNING LAW AND JURISDICTION**

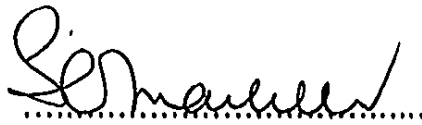
This power of attorney (and any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to this power of attorney, its subject matter or its formation, (including non-contractual disputes or claims)) shall be governed by and construed in accordance with the law of England and Wales. The Principal irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this power of attorney or its subject matter or formation (including non-contractual disputes or claims).

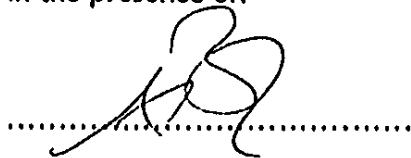
This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

**SCHEDULE 1  
ATTORNEYS**

Name	Address
GRAHAM WILD	TORONTO SQUARE, TORONTO STREET, LEEDS, LS1 2HT
ANNE CLARE O'KEEFE	THE ZENITH BUILDING, 26 SPRING GARDENS, MANCHESTER, M2 1AB

Signed as a deed by [PRINCIPAL]  
In the presence of:

  
.....

  
.....

Witness

Name: *A.W. BRIDLEY*

Address: *10 Fleet Place*  
*LONDON*

Occupation: *Chartered Accountant*

Joint Liquidators'  
Progress Report  
for the period  
5 January 2011 to  
4 January 2012

Roughly Red Limited (formerly Racing  
Green Limited) - in Liquidation

18 January 2012



A19

19/01/2012  
COMPANIES HOUSE

## Contents

1	Statutory information .....	1
2	Progress of the Liquidation.....	1
3	Assets still to be realised .....	1
4	Joint Liquidators' remuneration .....	1
5	Estimated outcome for creditors.....	2
6	Creditors' rights.....	3
7	Next report.....	3

## Appendices

Receipts and Payments Account for the period 5 January 2011 to 4 January 2012 .....	Appendix A
Time Analysis for the period 5 January 2011 to 4 January 2012 .....	Appendix B
Additional information in relation to the Joint Liquidators' remuneration pursuant to Statement of Insolvency Practice 9 .....	Appendix C

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## 1 Statutory information

- 1.1 I was appointed Joint Liquidator of Roughly Red Limited (formerly Racing Green Limited) (the Company) together with Simon Appell on 5 January 2011 by the creditors of the Company.
- 1.2 The Liquidation is being handled by Zolfo Cooper's Manchester office, situated at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.
- 1.3 The registered office of the Company has been changed to The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB and its registered number is 02460533.
- 1.4 As approved by the meeting of creditors held pursuant to section 98 of the Insolvency Act 1986, the functions of the Joint Liquidators are being exercised by either of the Joint Liquidators.

## 2 Progress of the Liquidation

- 2.1 Attached at Appendix A is the Joint Liquidators' Receipts and Payments Account for the period 5 January 2011 to 4 January 2012.
- 2.2 All expenses incurred to date have been paid in full.

### Dividend from Officers Club Limited

- 2.3 A dividend in the sum of £24,680 has been received from the administration of the Officers Club Limited. No further realisations are expected from this source.

## 3 Assets still to be realised

### Dividend from Speciality Retail Group Limited

- 3.1 As noted in the Company's Statement of Affairs (SoA), the sum of £500,000 is due from its parent Company, Speciality Retail Group Limited (SRG), which is also in Liquidation.
- 3.2 A claim has been submitted to the Joint Liquidators of SRG and a dividend is awaited. It is anticipated that the Joint Liquidators of SRG will be in a position to declare a dividend in approximately four to six months. The level of dividend due has not been confirmed, however, it is anticipated to be in the region of six pence in the pound, resulting in a realisation of approximately £30,000.

## 4 Joint Liquidators' remuneration

- 4.1 The basis of the Joint Liquidators' remuneration was approved by the creditors as being fixed by reference to their time costs.

- 4.2 The Joint Liquidators' time costs for the period 5 January 2011 to 4 January 2012 are £11,597. This represents 44 hours at an average rate of £267 per hour. Attached at Appendix B is a Time Analysis for the period which provides details of the activity costs incurred by staff grade.
- 4.3 Principal areas of activity during the period are discussed in further detail below:
- **Administration and planning** - time has been spent formulating and implementing the initial case strategy, complying with statutory duties and performing general administrative work. Case related treasury and support time is also recorded here.
  - **Investigations** - time has been incurred conducting investigations into the directors' conduct together with the Company's dealings prior to the appointment of Joint Liquidators and the submission of a report to the Department for Business, Innovation and Skills pursuant to the Company Directors Disqualification Act 1986.
  - **Realisations of assets** - time recorded here relates to dealing with third party assets and liaising with a connected company in relation to pre-appointment assignments made by the Company.
  - **Creditors** - time under this category relates to the notification to all creditors of the appointment, preparing statutory reports and dealing with general creditor correspondence.
  - **Realisation of assets - debtors** - time incurred relates to the inter-company debt due from SRG and the submission of the Company's claim in the Liquidation of SRG.
- 4.4 To date, £11,288 plus category 1 disbursements of £767 have been drawn on account.
- 4.5 Attached at Appendix C is additional information in relation to the Joint Liquidators' policy on staffing, the use of sub-contractors, disbursements and details of their current charge-out rates by staff grade.

## 5 Estimated outcome for creditors

### Secured creditor

- 5.1 There is no secured creditor in this matter.

### Preferential creditors

- 5.2 There are no preferential creditors in this matter.

### Unsecured creditors

- 5.3 Based on current information, unsecured creditors are expected to be approximately £6.2 million. The Joint Liquidators currently anticipate that there will be funds available for unsecured creditors. A dividend of approximately 0.05 pence in the pound may be payable subject to the final level of funds available and claims agreed.

## 6 Creditors' rights

- 6.1 Within 21 days of the receipt of the report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% of the value of the unsecured creditors) may request in writing that the Joint Liquidators provide further information about their remuneration or expenses (other than pre-appointment costs) which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% of the value of unsecured creditors) may within eight weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Joint Liquidators' remuneration, the remuneration or the expenses incurred by the Joint Liquidators as set out in this progress report are excessive.

## 7 Next report

- 7.1 The Joint Liquidators are required to provide a progress report within two months of the end of the next year of the Liquidation, if the Liquidation has been completed before then a final meeting will be called, and a draft report circulated before that meeting.



Anne O'Keefe  
For Stuart Mackellar  
Joint Liquidator

Enc

Receipts and Payments Account for the period  
5 January 2011 to 4 January 2012

Appendix A

**Statement of  
Affairs**

£

05/01/2011

- 04/01/2012

£

**Receipts**

-	Dividend from Officers Club Limited	24,680
-	Bank interest	13

24,693

**Payments**

Zolfo Cooper pre-appointment fees	1,543
Joint Liquidators' remuneration	11,288
Category 1 disbursements	
Telephone and storage costs	3
Statutory advertising	227
Statutory bonding	20
Travel and subsistence	238
Stationery and postage	198
Company searches	58
Treasury solutions	23
Irrecoverable VAT	2,720
Bank charges	3

(16,321)

**Balance**

8,372

**Represented by:**

Interest bearing account	8,372
	<u>8,372</u>

Time Analysis for the period 5 January 2011 to  
4 January 2012

Appendix B

	Employee grade (hours)				Total hours	Total cost £	Average rate per hour £
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support			
<b>Administration and planning</b>							
Strategy and control	1.2	1.0	5.1	0.1	7.4	2,637.50	356
Statutory duties	0.2	0.3	0.5	1.6	2.6	639.00	246
Case administration	0.4	1.0	7.0	10.3	18.7	4,267.50	228
Accounting and treasury	-	0.8	1.0	3.2	5.0	1,074.50	215
Internal documentation	-	0.1	0.1	-	0.2	69.00	345
<b>Investigations</b>							
Director conduct reports	0.1	0.3	-	0.7	1.1	285.50	260
<b>Realisation of assets - debtors</b>							
Debt collection	-	0.2	0.3	-	0.5	166.00	332
<b>Realisation of assets</b>							
Recovery of assets	-	-	1.4	-	1.4	392.00	280
Dealing with third party assets	-	0.4	-	-	0.4	164.00	410
<b>Creditors</b>							
Reporting to creditors	-	0.2	-	-	0.2	82.00	410
Creditor meetings	1.4	-	-	-	1.4	805.00	575
Unsecured creditors	-	0.3	1.9	2.4	4.6	1,015.00	221
<b>Totals</b>	<b>3.3</b>	<b>4.6</b>	<b>17.3</b>	<b>18.3</b>	<b>43.5</b>	<b>11,597.00</b>	<b>267</b>

## Additional information in relation to the Joint Liquidators' remuneration pursuant to Statement of Insolvency Practice 9

## Appendix C

### 1 Policy

Detailed below is Zolfo Cooper's policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

#### 1.1 Staff allocation and the use of sub-contractors

The Joint Liquidators' general approach to resourcing their 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 Senior Associate, an Associate and an Analyst. 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. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Joint Liquidators' charge out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, the Joint Liquidators would advise that time spent by treasury in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, eg report compilation and distribution, do the Joint Liquidators seek to charge and recover their time in this regard.

The Joint Liquidators have appointed Treasury Solutions as a sub-contractor to provide treasury services. The basis of the fee arrangement is an hourly rate for specific tasks on this assignment plus disbursements.

#### 1.2 Professional advisors

On this assignment the Joint Liquidators have not used the services of any professional advisors.

#### 1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a category 1 disbursement 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 the Joint Liquidators and their staff.

Category 2 disbursements do require prior approval by creditors before they are paid. If they are incurred, they will be drawn in accordance with the resolution approved by creditors. Category 2 disbursements that may be incurred include photocopying which is charged at the rate of ten pence per sheet for notifications and report to creditors and other copying.

## 2 Charge out rates

A schedule of Zolfo Cooper charge-out rates for this assignment effective from 1 January 2011 is detailed below.

Description	£
<b>Partner/director:</b>	
Partner 1*	445
Partner 2*	395
Director	340
<b>Senior associate:</b>	
Senior associate 1*	315
Senior associate 2*	265
<b>Associate/analyst:</b>	
Associate	230
Analyst*	220
<b>Junior analyst and support staff:</b>	
Junior analyst*	115
Senior treasury associate	155
Treasury associate	105
Treasury analyst	80
Support	75

**\*Key**

*Partner 1 - Partners with 3 or more years experience at partner level*

*Partner 2 - Partners with less than 3 years experience at partner level*

*Senior associate 1 - Staff who have been senior associates for over 2 years*

*Senior associate 2 - Staff who have been senior associates for less than 2 years*

*Analyst - Staff who have been analysts for more than 1 year*

*Junior analyst - First year analysts*