

Rule 4 49C

The Insolvency Act 1986

Form 4.68

Liquidator's Progress Report

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

S.192

For Official Use

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To the Registrar of Companies

Company Number

02488368

(a) Insert full name
of company

Name of Company

(a) UK Blinds (Manufacturing)

Limited

(b) Insert full name(s)
and address(es)


I/We (b) Richard Ian Williamson
of Campbell Crossley & Davis
348/350 Lytham Road
Blackpool
Lancashire FY4 1DW

the liquidator of the company attach a copy of my Progress Report under Section
192 of the Insolvency Act 1986

The Progress Report covers the period from 15th September 2012 to 14th
September 2013

Presenter's name,
address and reference
(if any)


Signed



Date 19th September 2013

Richard Ian Williamson
Campbell Crossley & Davis
348/350 Lytham Road
Blackpool FY4 1DW

Reference U0032/C/RIW/FEV

FRIDAY	For Official Use		
	Section 1 Post Room		
			
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20/09/2013		COMPANIES HOUSE	



Campbell Crossley & Davis
LICENSED INSOLVENCY PRACTITIONERS

R Ian Williamson BA (Hons) ACA FABRP **Peter G C Riley** FCA **Ian M Wroe** BSc (Sp Hons) ACA
Peter Swarbrick BSc (Hons) ACA **Steven D Mondy** ACA

Our reference U032/D/RIW/FEV
19th September 2013

LIQUIDATOR'S PROGRESS REPORT

Dear Sirs

UK Blinds (Manufacturing) Limited – In Liquidation ('the Company')

1 Introduction and Statutory Information

- 1 1 I was appointed as Liquidator of the Company on 15th September 2010. This report provides an update on the progress in the liquidation for the year ended 14th September 2013.
- 1 2 The trading address of the Company was Unit 12, Chichester Business Centre, Chichester Street, Rochdale, Lancashire, OL16 2AU.
- 1 3 The registered office was changed to 348/350 Lytham Road, Blackpool, Lancashire, FY4 1DW on liquidation and its registered number is 02488368.

2 Realisation of Assets

- 2 1 My Receipts and Payments Account for the period from 15th September 2010 to 14th September 2013 is attached as Appendix A. This includes details of movements in the last twelve months.
- 2 2 The principal assets on the director's Statement of Affairs were book debts which were estimated to realise £311,803. To date £169,944 has been collected in respect of these, with £2,912.32 being collected within the last twelve months.
- 2 3 The reduction in realisations has already been covered in detail in previous reports but was largely down to pricing and production problems. Once in liquidation the Company could no longer supply products or honour guarantees and these issues had a severe effect on our ability to get many small debtors to pay.
- 2 4 Whilst the collection of book debts is still continuing, additional realisations are not expected to be substantial. A number of debtors were on payment plans which are continuing. Remaining funds will be used to meet the costs of closing the liquidation.
- 2 5 A refund of £3,615.90 has been received from Rochdale Borough Council in relation to an overpayment for rates prior to liquidation.
- 2 6 We have received £92.21 from bank interest within the last year.

Continued

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348/350 Lytham Road
Blackpool FY4 1DW

t: 01253 349331
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Northwich Office
83 London Road
Northwich
Cheshire
CW9 5HQ

t: 01606 45591

3 Creditors

Preferential Creditors

- 3 1 The Company employed 82 people at the time of ceasing to trade. Whilst the Redundancy Payments Office ("RPO") met the majority of these liabilities under the provisions of the Employment Rights Act a number of ex-employees earned in excess of the statutory maximum. They were entitled to claim for any shortfall.
- 3 2 Calculation of the additional employee claims was outsourced to a specialist claims handling unit, Payco ERA Limited ("Payco") in Milton Keynes.
- 3 3 A summary of preferential claims is detailed below -

	Preferential Claim	Agreed Claim	Statement of Affairs Claim	Dividend Paid
	£	£	£	
Redundancy Payments Office	31,533.81	31,533.81	48,160.00	£30,441.89 paid on 18 th August 2012 £1,091.92 paid on 15 th July 2013
Additional Employee Preferential Claims – including PAYE	1,918.93	1,918.93	Nil	£1,918.93 paid on 31 st July 2012

- 3 4 On 10th July 2013, the RPO submitted a revised preferential claim of £31,533.81. Consequently, an additional dividend of £1,091.92 was paid to them on 15th July 2013.

Secured Creditors and Prescribed Part

- 3 5 The Royal Bank of Scotland plc ("the Bank") held a fixed and floating charge over the Company's assets. At the date of the liquidation the indebtedness was estimated at £119,060.
- 3 6 The Bank submitted a claim for £109,694.99. I paid a first interim dividend of £100,000 on 19th October 2012 and a further second and final dividend of £9,694.99 was paid on 20th November 2013, to clear the account.
- 3 7 The Bank's debenture was granted in 2006. Since 2003 it has been necessary to set aside a percentage of a Company's net assets, after costs, and settlement of preferential claims to be paid to non-preferential creditors in the event of a shortfall under the debenture. This is the Prescribed Part and applies to floating charges created after 15th September 2003. As the value of the surplus exceeded the value of the Prescribed Part after settling the Bank debt the Prescribed Part was set aside.

Non-preferential Creditors

- 3 8 There were non-preferential creditor claims totalling £1,699,592 on the Statement of Affairs. These included estimated claims of £303,478 from the RPO and £150,000 from the director.
- 3 9 We wrote to all proving and non-proving non-preferential creditors on 25th March 2013 to agree or to establish claims. As a result of these letters, eighty one non-preferential claims were agreed totalling £1,564,956.50.
- 3 10 On 31st May 2013, we declared a first and final dividend to proving non-preferential creditors of 3.2p in £. £50,081.04 was distributed in this way.

4 Liquidator's Remuneration

- 4 1 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.
- 4 2 To 14th September 2013 we have spent 456.5 hours administering the liquidation at an average hourly rate of £140.44 (excluding VAT). Total time is £64,112.40 (excluding VAT). £5,095.80 in fees has been drawn on account during the year. At the anniversary £12,416.60 (excluding VAT) remained outstanding.
- 4 3 My time costs for the period from 15th September 2012 to 14th September 2013 are £12,416.60 (excluding VAT). This represents 105.5 hours at an average rate of £117.69 (excluding VAT) per hour.

Continued

- 4 4 In accordance with Statement of Insolvency Practice 9 ('SIP9') I am required to provide additional extra information as to work undertaken on the case This is provided on Appendices B and C
- 4 5 Due to the large numbers of creditors, a significant amount of time in the year has been spent agreeing and paying a first and final dividend to non-preferential creditors and calculating and paying a first and final dividend to former employees in relation to their non-preferential claims that exceeded the statutory maximum paid by the RPO We have spent time on paying the Bank under their floating charge, the collection of debtors who are on payment plans and realising the rates refund £160,868 has been distributed to creditors during the year We also drafted the last progress report and attended to our statutory duties
- 4 6 Attached as Appendices B and C is additional information in relation to this firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade Campbell Crossley & Davis do not charge Category 2 disbursements direct to the case
- 4 7 For further details about how liquidators charge fees please visit our website at www.campbell-crossley-davis.co.uk/downloads and see 'A Creditors Guide to Liquidator's fees – England and Wales' A paper copy can be supplied upon request

5 Liquidator's Expenses

- 5 1 During the year I have paid liquidator's fees of £5,095 80 in respect of time costs for last year These time costs are covered in more detail in Appendices B and C and were set out in the last progress report
- 5 2 £306 19 has been paid to Impact OCCS Limited for the recovery of book debts This is on the basis of 10% of book debts realised through their efforts I consider this to be a competitive rate
- 5 3 We employed Ibex, a specialist storage company, to remove, catalogue and store the records £1,562 13 has been paid for storage within the last twelve months The costs are high because the books and records are extensive I am obliged to keep these books and records until after the close of the liquidation and so this cost is ongoing
- 5 4 Corporation tax of £195 72 on bank interest has also been paid
- 5 5 At the anniversary Liquidator's costs of £12,416 60 are outstanding There are also accrued storage costs of £8 54 with Ibex As the Company was registered for VAT, receipts and payments are quoted net of VAT

6 Creditors' Rights

- 6 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
- 6 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 the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive

7 Next Report

- 7 1 I am required to provide a further report on the progress of liquidation within two months of the end of the next anniversary, 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
- 7 2 The liquidation remains open in order to collect the final instalments of book debts

Yours faithfully,



Ian Williamson
Liquidator

**UK BLINDS (MANUFACTURING) LIMITED
IN LIQUIDATION**

**LIQUIDATOR'S RECEIPTS
AND PAYMENTS ACCOUNT**

**FOR THE PERIOD FROM 15TH SEPTEMBER 2010
TO 14TH SEPTEMBER 2013**

	£ Statement of Affairs	£ 15 09 12 -14 09 13	£ 15 09 10 -14 09 13
RECEIPTS			
Cash at Bank	37,115 00	Nil	47,270 63
Intellectual Property	6,500 00	Nil	6,500 00
Motor Vehicle	6,500 00	Nil	9,300 00
Plant Machinery, Fixtures and Fittings	20,000 00	Nil	102,637 55
Trade Debtors	311,803 00	2,912 32	169,944 84
Rates Refund	Nil	3,615 90	3,615 90
Stock	5,000 00	Nil	10,543 00
Petty Cash	Nil	Nil	297 75
Bank Interest	Nil	92 21	890 57
	<u>386,918.00</u>	<u>6,620 43</u>	<u>351,000 24</u>
PAYMENTS			
Agent's Fees and Expenses			(28,517 10)
Statement of Affairs Fee			(11,000 00)
Liquidator's Fees		(5,095 80)	(51,695 80)
Debt Recovery Fees		(306 19)	(14,129 55)
Insolvency Bond			(840 00)
Bank Fees			(37 00)
Mail Re-Direction Fee			(156 15)
Refund			(1,644 07)
Skip Removal Fees			(3,077 62)
Telephone Charges			(98 83)
Utilities			(4,116 47)
Rent			(6,137 25)
Solicitor's Fees			(7,559 97)
Statutory Advertising			(226 80)
Books and Records Storage Fees		(1,562 13)	(5,857 73)
Insurance			(1,417 75)
Software Licence Fee			(125 00)
Accountant's Fee			(60 00)
Land Registry Fee			(4 00)
External Room Hire			(92 02)
Wages			(7,860 11)
Corporation Tax		(195 72)	(195 72)
Rates			(886 98)
Employee Related Duties			(937 88)
		<u>(539 41)</u>	<u>204,326 44</u>
DIVIDEND			
Preferential Dividend 100p in £ declared on 31 st July 2012		(1,091 92)	(33,452 74)
Floating Charge Holder 100p in £ declared on 19 th October 2012		(109,694 99)	(109,694 99)
81 proving non-preferential creditor claims totalling £1,564,956 50			
3 2p in £ paid on 31 st May 2013		<u>(50,081 04)</u>	<u>(50,081 04)</u>
		(161,407 36)	11,097 67
VAT		<u>(1,732.28)</u>	<u>(1,366 30)</u>
BANK MOVEMENTS/CASH AT BANK		<u>(163,139 64)</u>	<u>9,731 37</u>

NOTES

- 1 V A T is recoverable so, where appropriate, payments shown exclude V A T
- 2 Cash at Bank is held in an interest bearing current account

**UK BLINDS (MANUFACTURING) LIMITED
IN LIQUIDATION**

**ADDITIONAL INFORMATION IN RELATION
TO LIQUIDATOR'S REMUNERATION**

**FOR THE PERIOD 15TH SEPTEMBER 2010
TO 14TH SEPTEMBER 2013**

1 Policy

Detailed below is Campbell Crossley & Davis 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

Our 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, Manager and Administrator. 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. Our charge out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, we would advise that time spent by our cashier in relation to specific tasks on an assignment is charged.

We have utilised the services of Impact OCCS Limited to perform the debt collection function. They charge on a success fee of 10% of gross recoveries. We have also used Payco ERA Limited who charge at an hourly rate.

1.2 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.

Name of Professional Advisor	Basis of Fee Arrangement
Mason Hayes Solicitors (legal advice)	Hourly rate and disbursements
Sanderson Weatherall LLP (valuation and disposal advice)	Hourly rate and commission and disbursements

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.

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 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.

Category 2 disbursements are not charged separately to the case.

**UK BLINDS (MANUFACTURING) LIMITED
IN LIQUIDATION**

**ADDITIONAL INFORMATION IN RELATION
TO LIQUIDATOR'S REMUNERATION**

**FOR THE PERIOD 15TH SEPTEMBER 2010
TO 14TH SEPTEMBER 2013**

2 Charge-out Rates

A schedule of Campbell Crossley & Davis charge-out rates for this assignment effective from 1st July 2013 is detailed below -

	(Per hour) £
Partner	250
Senior Manager	175
Manager	130
Administrator/Cashier	95

3 Time Summary (post appointment time)

£

Partner	62.9 hours	average hourly rate £233.82	14,707.00
Senior Manager	201.7 hours	average hourly rate £160.88	32,450.50
Manager	9.3 hours	average hourly rate £119.45	1,110.90
Administrator	80.8 hours	average hourly rate £87.63	7,080.50
Cashier	<u>101.8</u> hours	average hourly rate £86.09	<u>8,763.50</u>
	<u>456.5</u> hours		<u>64,112.40</u>

Please note our charge out rates increased on 1st July 2013

**UK BLINDS (MANUFACTURING) LIMITED
IN LIQUIDATION**

TIME COSTS MATRIX

**FOR THE PERIOD 15TH SEPTEMBER 2010
TO 14TH SEPTEMBER 2013**

In accordance with Statement of Insolvency Practice 9, I am required to provide additional information as to how time has been allocated

The breakdown below provides some indication of how time has been spent. However inevitably, there is a certain amount of overlap between the categories

Time is recorded in 6 minute intervals. In relation to each staff grade the breakdown of time spent to date is as follows (in hours) -

	Partner	Senior Manager	Manager	Administrator	Cashier	Total	Total (£)	Average hourly rate (£)
Accountancy and administration	6.5	4.2	0.5	12.3	32.3	55.8	6,118.30	109.65
Bank and statutory reporting	3.9	2.9	0.1	8.6	22.2	37.7	4,086.90	108.41
Creditors	13.8	19.1	5.6	17.9	16.9	73.3	10,029.10	136.82
Debtors	15.5	91.3	0.1	12.9	2.3	122.1	19,560.90	160.20
Other assets	7.6	27.9	0.7			36.2	6,292.50	173.83
Employee matters	1.6	20.9	2.1	14.0	6.4	45.0	5,740.40	127.56
Investigation and CDDA	1.5	2.5				4.0	745.00	186.25
Legal issues	1.4	3.3				4.7	861.50	183.30
Retention of Title	2.0	15.9				17.9	3,006.00	167.94
Statutory duties	7.4	6.7	0.2	12.9	16.3	43.5	5,488.80	126.18
VAT and taxation	<u>1.7</u>	<u>7.0</u>	<u>—</u>	<u>2.2</u>	<u>5.4</u>	<u>16.3</u>	<u>2,183.00</u>	<u>133.93</u>
	<u>62.9</u>	<u>201.7</u>	<u>9.3</u>	<u>80.8</u>	<u>101.8</u>	<u>456.5</u>	<u>64,112.40</u>	

**UK BLINDS (MANUFACTURING) LIMITED
IN LIQUIDATION**

TIME COSTS MATRIX

**FOR THE PERIOD 15TH SEPTEMBER 2012
TO 14TH SEPTEMBER 2013**

As above, the breakdown below provides some indication of how time has been spent. Once again, inevitably, there is a certain amount of overlap between the categories.

Time is recorded in 6 minute intervals. In relation to each staff grade the breakdown of time spent between 15th September 2012 and 14th September 2013 is as follows (in hours) -

	Partner	Senior Manager	Manager	Administrator	Cashier	Total	Total (£)	Average hourly rate (£)
Accountancy and administration		1.7	0.3	5.0	10.9	17.9	1,759.00	98.27
Bank and statutory reporting	1.2	2.9	0.1	8.6	1.1	13.9	1,672.40	120.32
Creditors	5.2	2.3	1.2	13.8	2.2	24.7	3,276.30	132.64
Debtors	1.3	0.2	0.1	10.4	0.6	12.6	1,354.90	107.53
Other assets						0.0	0.00	0.00
Employee matters	0.8	0.5	0.3	6.2		7.8	876.20	112.33
Investigation and CDDA						0.0	0.00	0.00
Legal issues	0.4					0.4	98.00	245.00
Retention of Title						0.0	0.00	0.00
Statutory duties	1.8	6.7	0.2	12.9	2.0	23.6	2,917.80	123.64
VAT and taxation	—	0.6	—	2.2	1.8	4.6	462.00	100.43
	<u>10.7</u>	<u>14.9</u>	<u>2.2</u>	<u>59.1</u>	<u>18.6</u>	<u>105.5</u>	<u>12,416.60</u>	