

## Section 106

## The Insolvency Act 1986

Return of Final Meeting in a  
Creditors' Voluntary Winding Up  
Pursuant to Section 106 of the  
Insolvency Act 1986

# S106

To the Registrar of Companies

For Official Use

|  |  |  |
|--|--|--|
|  |  |  |
|--|--|--|

Company Number

04307965

Name of Company

Tanning Warehouse Limited

I / ~~we~~

Gordon Johnston  
12/14 Carlton Place  
Southampton  
SO15 2EA

give notice

- 1 that a general meeting of the company was ~~held on~~/summoned for 29 March 2012 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of and that ~~the same was done accordingly~~ / no quorum was present at the meeting
- 2 that a meeting of the creditors of the company was duly ~~held on~~ / summoned for 29 March 2012 pursuant to section 106 of the Insolvency Act 1986 for the purpose of having the said account laid before it showing how the winding up of the company has been conducted and the property of the company disposed of and that ~~the same was done accordingly~~ / no quorum was present at the meeting

Signed

Date

29 March 2012

hjs Recovery  
12/14 Carlton Place  
Southampton  
SO15 2EA

Ref 4021TANX/GJ/KB/HS/JP/DS

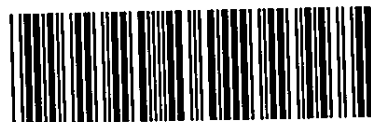
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For Official Use

Insolvency Sect

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COMPANIES HOUSE

**Tanning Warehouse Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**  
**From 9 February 2011 To 29 March 2012**

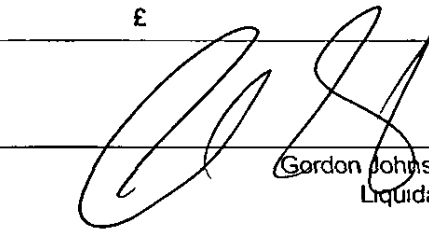
| S of A £            |                                       | £        | £           |
|---------------------|---------------------------------------|----------|-------------|
|                     | <b>ASSET REALISATIONS</b>             |          |             |
| NIL                 | Furniture & Equipment (Crewe)         | 500 00   |             |
| NIL                 | Furniture & Equipment (Bury)          | 500 00   |             |
| 4,500 00            | Sunbeds (Crewe)                       | 6,000 00 |             |
| 6,600 00            | Sunbeds (Bury)                        | 8,000 00 |             |
| NIL                 | Rent Deposit Deed (Bury)              | NIL      |             |
|                     | Bank Interest Gross                   | 11 99    |             |
|                     |                                       |          | 15,011 99   |
|                     | <b>COST OF REALISATIONS</b>           |          |             |
|                     | Specific Bond                         | 50 00    |             |
|                     | Preparation of S of A                 | 5,000 00 |             |
|                     | Agents/Valuers Fees                   | 1,568 00 |             |
|                     | Corporation Tax                       | 2 22     |             |
|                     | Statutory Advertising                 | 262 50   |             |
|                     |                                       |          | (6,882 72)  |
|                     | <b>PREFERENTIAL CREDITORS</b>         |          |             |
| Uncertain           | DE Arrears & Holiday Pay              | 227 69   |             |
| Uncertain           | Employee Arrears/Holiday Pay          | NIL      |             |
|                     |                                       |          | (227 69)    |
|                     | <b>FLOATING CHARGE CREDITORS</b>      |          |             |
| (41,000 00)         | NatWest Bank Plc                      | 7,901 58 |             |
|                     |                                       |          | (7,901 58)  |
|                     | <b>UNSECURED CREDITORS</b>            |          |             |
| (16,649 86)         | Trade & Expense Creditors             | NIL      |             |
| Uncertain           | Employees                             | NIL      |             |
| Uncertain           | Department of Employment              | NIL      |             |
| (314,009 72)        | Director - T O'Neill                  | NIL      |             |
| (4,966 41)          | HM Revenue & Customs - PAYE           | NIL      |             |
| (53,004 33)         | HM Revenue & Customs - VAT            | NIL      |             |
| (11,000 00)         | Mr & Mrs D G Jones - (Landlords Bury) | NIL      |             |
|                     |                                       |          | NIL         |
|                     | <b>DISTRIBUTIONS</b>                  |          |             |
| (135,000 00)        | Preference Shareholders               | NIL      |             |
| (2 00)              | Ordinary Shareholders                 | NIL      |             |
|                     |                                       |          | NIL         |
| <b>(564,532 32)</b> |                                       |          | <b>0 00</b> |
|                     | <b>REPRESENTED BY</b>                 |          |             |
|                     |                                       |          | <b>NIL</b>  |

**Tanning Warehouse Limited  
(In Liquidation)  
Liquidator's Abstract of Receipts & Payments  
From 9 February 2011 To 29 March 2012**

S of A £

£

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Gordon Johnston  
Liquidator

# **Liquidator's Final Report to Creditors and Members**

**Tanning Warehouse Limited**

**- In Liquidation**

**29 March 2012**

## **CONTENTS**

- 1 Introduction
- 2 Progress of the Liquidation
- 3 Investigations
- 4 Outcome for Creditors
- 5 Liquidator's Remuneration
- 6 Liquidator's Expenses
- 7 Creditors' Rights
- 8 Next Report

## **APPENDICES**

- A Receipts and Payments Account from 9 February 2011 to 8 February 2012 and cumulative to 29 March 2012
- B Time Analysis for the period 9 February 2011 to 29 March 2012
- C Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9 (SIP9)

## 1 Introduction

- 1 1 I, Gordon Johnston of HJS Recovery, 12-14 Carlton Place, Southampton, SO15 2EA, was appointed Liquidator of Tanning Warehouse Limited (the Company) on 09 February 2011. This report provides a summary of the outcome of the liquidation of the Company which has now been completed.
- 1 2 The principal trading addresses of the Company were 181-183 The Rock, Bury, Lancashire, BL9 0NE & 79A Victoria Street, Crewe, CW1 2JH.
- 1 3 The registered office of the Company was changed to 12-14 Carlton Place, Southampton, SO15 2EA and its registered number is 04307965.
- 1 4 The liquidation commenced in February 2011 with estimated asset values of £11,100.00 and anticipated liabilities of £575,632.32 which, subject to the cost of liquidation, expected a nil return to creditors. This has proven to be the case in respect of the unsecured creditors.

## 2 Progress of the Liquidation

### *Furniture & Equipment & Sunbeds at Crewe & Bury*

- 2 1 In accordance with Statement of Insolvency Practice No 13 (SIP13), I would advise you that the following assets were sold to a director of the Company:

| Date of transaction | Asset involved and nature of transaction                    | Consideration Paid and Date         | Sold to         | Relationship |
|---------------------|-------------------------------------------------------------|-------------------------------------|-----------------|--------------|
| 21 March 2011       | Purchase of Sunbeds & Furniture & Equipment at Bury & Crewe | £15,000 + VAT paid on 21 March 2011 | Terence O'Neill | Director     |

- 2 2 Creditors will recall that the above assets were reported in the director's estimated Statement of Affairs with the furniture and equipment across both premises given an estimated to realise value of nil and the sunbeds estimated to realise values of £4,500 for Crewe and £6,600 for Bury.

The sale was progressed following an offer being received by our agents from Terence O'Neill for £15,000 + VAT for all of the above assets. Their view was that a higher net realisation could not be achieved by any other method of disposal and on that basis they recommended acceptance of this offer, subject to immediate payment. The sale was completed as detailed above on 21 March 2011.

### ***Rent Deposit Deed – Bury***

- 2 3 The director's estimated Statement of Affairs reported a rent deposit being held by the landlord in the sum of £10,000, but with an estimated to realise value of nil. It was established, following our appointment, that the lease to the Bury property was actually in the name of Tanning Warehouse (Bury) Limited. As the lease was not in the name of Tanning Warehouse Limited no realisations could be achieved.

### ***Bank Interest Gross***

- 2 4 An amount of £11.99 has been earned in gross interest on monies held in the liquidation bank account.
- 2 5 At Appendix A, I have provided an account of my Receipts and Payments for the period ended 8 February 2012 with a comparison to the Director's Statement of Affairs values, together with the cumulative position to 29 March 2012, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator during the period of this report. Further information on the Liquidator's remuneration can be found in section 5 below.

## **3 Investigations**

- 3 1 In accordance with the Company Directors Disqualification Act 1986 I would confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills. As this is a confidential report, I am not able to disclose the contents.

## **4 Outcome for Creditors**

### ***Secured Creditors***

- 4 1 NatWest Bank Plc holds a fixed and floating charge over the Company's assets. At the date of the liquidation the indebtedness was estimated at £41,000 and has now been agreed at £41,359, on which interest continues to accrue. A dividend of £7,901.58 has been paid to the debenture holder under their charge.

### ***Preferential Creditors***

- 4 2 I have received one preferential claim for £227.69 from The Insolvency Service in respect of payments they made to the former employees. This claim was paid in full on 26 May 2011.

### ***Unsecured Creditors***

- 4 3 I have received claims totalling £423,941.43 from six creditors.

- 4 4 As the Company granted a floating charge to National Westminster Bank Plc on 18 April 2002 there was no requirement to create a fund out of the Company's net floating charge property for unsecured creditors, which only applies to charges created after 15 September 2003

I can confirm that the realisations are insufficient to declare a dividend to the unsecured creditors

## **5 Liquidator's Remuneration**

- 5 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
- 5 2 My time costs to 29 March 2012 are £12,064 75 This represents 67 98 hours at an average rate of £177 47 per hour Attached as Appendix B 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 To date, I have not drawn any funds in respect of my time costs £312 50 has been recovered in relation to disbursements
- 5 3 An indication of the tasks undertaken by the Liquidators and their staff are detailed below

### **Administration and Planning**

- Statutory duties associated with the appointment including the filing of relevant notices,
- Notification of appointment to creditors, members, employees and other interested parties,
- Reviewing available information to determine appropriate strategy,
- Setting up case files,
- Setting up and maintaining bank accounts

### **Realisation of Assets**

- Please refer to section 2 of the report

### **Creditors**

- Recording and maintaining the list of creditors,
- Dealing with employee related matters



- Recording creditor claims
- Reporting to creditors and
- Dealing with creditor queries

#### **Investigations**

- Recovery and schedule of the company's books and statutory records
- Conduct of an analytical review of these of the records in order to assess if more detailed investigation is required
- Questioning of directors and other key personnel and
- Completion of report to the Department for Business, Innovation and Skills

#### **Tax Reviews**

- Completion of post-appointment VAT returns
- Review of tax matters following appointment

5 4 Attached as Appendix C 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

## **6 Liquidator's Expenses**

The following expenses have been incurred since my appointment as Liquidator

| <b>Supplier/Service Provider</b>           | <b>Nature of expense incurred</b> | <b>Amount incurred to date £</b> | <b>Paid to date £</b> | <b>Amount outstanding £</b> |
|--------------------------------------------|-----------------------------------|----------------------------------|-----------------------|-----------------------------|
| Philip Davies & Sons Auctioneers & Valuers | Valuation Fee & Sale of Assets    | 1,568 00                         | 1,568 00              | Nil                         |

## **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

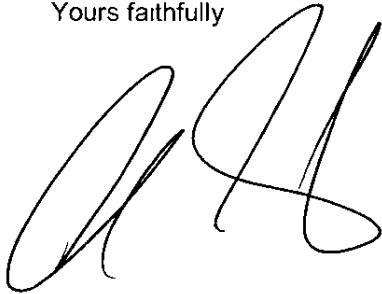
the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report

- 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 Conclusion**

- 8 1 This report together with final meetings of members and creditors will conclude this liquidation Details of the final meetings and resolutions to be considered have been circulated with this report

Yours faithfully

A handwritten signature in black ink, appearing to be 'GJ', written over a horizontal line.

**Gordon Johnston ACA FABRP**  
Liquidator

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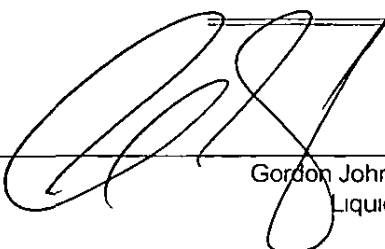
**Tanning Warehouse Limited  
(In Liquidation)  
Liquidator's Abstract of Receipts & Payments**

Appendix A

| Statement<br>of Affairs |                                       | From 09/02/2012<br>To 29/03/2012 | From 09/02/2011<br>To 29/03/2012 |
|-------------------------|---------------------------------------|----------------------------------|----------------------------------|
|                         | <b>ASSET REALISATIONS</b>             |                                  |                                  |
| NIL                     | Furniture & Equipment (Crewe)         | NIL                              | 500 00                           |
| NIL                     | Furniture & Equipment (Bury)          | NIL                              | 500 00                           |
| 4,500 00                | Sunbeds (Crewe)                       | NIL                              | 6,000 00                         |
| 6,600 00                | Sunbeds (Bury)                        | NIL                              | 8,000 00                         |
| NIL                     | Rent Deposit Deed (Bury)              | NIL                              | NIL                              |
|                         | Bank Interest Gross                   | NIL                              | 11 99                            |
|                         |                                       | NIL                              | 15,011 99                        |
|                         | <b>COST OF REALISATIONS</b>           |                                  |                                  |
|                         | Specific Bond                         | NIL                              | 50 00                            |
|                         | Preparation of S of A                 | NIL                              | 5,000 00                         |
|                         | Agents/Valuers Fees                   | NIL                              | 1,568 00                         |
|                         | Corporation Tax                       | NIL                              | 2 22                             |
|                         | Statutory Advertising                 | NIL                              | 262 50                           |
|                         |                                       | NIL                              | (6,882 72)                       |
|                         | <b>PREFERENTIAL CREDITORS</b>         |                                  |                                  |
| Uncertain               | DE Arrears & Holiday Pay              | NIL                              | 227 69                           |
| Uncertain               | Employee Arrears/Holiday Pay          | NIL                              | NIL                              |
|                         |                                       | NIL                              | (227 69)                         |
|                         | <b>FLOATING CHARGE CREDITORS</b>      |                                  |                                  |
| (41,000 00)             | NatWest Bank Plc                      | NIL                              | 7,901 58                         |
|                         |                                       | NIL                              | (7,901 58)                       |
|                         | <b>UNSECURED CREDITORS</b>            |                                  |                                  |
| (16,649 86)             | Trade & Expense Creditors             | NIL                              | NIL                              |
| Uncertain               | Employees                             | NIL                              | NIL                              |
| Uncertain               | Department of Employment              | NIL                              | NIL                              |
| (314,009 72)            | Director - T O'Neill                  | NIL                              | NIL                              |
| (4,966 41)              | HM Revenue & Customs - PAYE           | NIL                              | NIL                              |
| (53,004 33)             | HM Revenue & Customs - VAT            | NIL                              | NIL                              |
| (11,000 00)             | Mr & Mrs D G Jones - (Landlords Bury) | NIL                              | NIL                              |
|                         |                                       | NIL                              | NIL                              |
|                         | <b>DISTRIBUTIONS</b>                  |                                  |                                  |
| (135,000 00)            | Preference Shareholders               | NIL                              | NIL                              |
| (2 00)                  | Ordinary Shareholders                 | NIL                              | NIL                              |
|                         |                                       | NIL                              | NIL                              |
| <b>(564,532 32)</b>     |                                       | <b>NIL</b>                       | <b>0 00</b>                      |

REPRESENTED BY

NIL

  
Gordon Johnston  
Liquidator

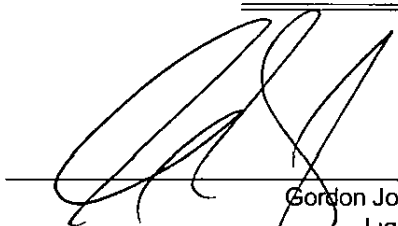
**Tanning Warehouse Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

**Appendix A**

| Statement<br>of Affairs |                                       | From 09/02/2011<br>To 08/02/2012 | From 09/02/2011<br>To 08/02/2012 |
|-------------------------|---------------------------------------|----------------------------------|----------------------------------|
|                         | <b>ASSET REALISATIONS</b>             |                                  |                                  |
| NIL                     | Furniture & Equipment (Crewe)         | 500 00                           | 500 00                           |
| NIL                     | Furniture & Equipment (Bury)          | 500 00                           | 500 00                           |
| 4,500 00                | Sunbeds (Crewe)                       | 6,000 00                         | 6,000 00                         |
| 6,600 00                | Sunbeds (Bury)                        | 8,000 00                         | 8,000 00                         |
| NIL                     | Rent Deposit Deed (Bury)              | NIL                              | NIL                              |
|                         | Bank Interest Gross                   | 11.99                            | 11.99                            |
|                         |                                       | 15,011 99                        | 15,011 99                        |
|                         | <b>COST OF REALISATIONS</b>           |                                  |                                  |
|                         | Specific Bond                         | 50 00                            | 50 00                            |
|                         | Preparation of S of A                 | 5,000 00                         | 5,000 00                         |
|                         | Agents/Valuers Fees                   | 1,568 00                         | 1,568 00                         |
|                         | Corporation Tax                       | 2 22                             | 2 22                             |
|                         | Statutory Advertising                 | 262.50                           | 262.50                           |
|                         |                                       | (6,882 72)                       | (6,882 72)                       |
|                         | <b>PREFERENTIAL CREDITORS</b>         |                                  |                                  |
| Uncertain               | DE Arrears & Holiday Pay              | 227 69                           | 227 69                           |
| Uncertain               | Employee Arrears/Holiday Pay          | NIL                              | NIL                              |
|                         |                                       | (227 69)                         | (227 69)                         |
|                         | <b>FLOATING CHARGE CREDITORS</b>      |                                  |                                  |
| (41,000 00)             | NatWest Bank Plc                      | 7,901.58                         | 7,901.58                         |
|                         |                                       | (7,901 58)                       | (7,901 58)                       |
|                         | <b>UNSECURED CREDITORS</b>            |                                  |                                  |
| (16,649 86)             | Trade & Expense Creditors             | NIL                              | NIL                              |
| Uncertain               | Employees                             | NIL                              | NIL                              |
| Uncertain               | Department of Employment              | NIL                              | NIL                              |
| (314,009 72)            | Director - T O'Neill                  | NIL                              | NIL                              |
| (4,966 41)              | HM Revenue & Customs - PAYE           | NIL                              | NIL                              |
| (53,004 33)             | HM Revenue & Customs - VAT            | NIL                              | NIL                              |
| (11,000 00)             | Mr & Mrs D G Jones - (Landlords Bury) | NIL                              | NIL                              |
|                         |                                       | NIL                              | NIL                              |
|                         | <b>DISTRIBUTIONS</b>                  |                                  |                                  |
| (135,000 00)            | Preference Shareholders               | NIL                              | NIL                              |
| (2 00)                  | Ordinary Shareholders                 | NIL                              | NIL                              |
|                         |                                       | NIL                              | NIL                              |
| <b>(564,532 32)</b>     |                                       | <b>0 00</b>                      | <b>0 00</b>                      |

REPRESENTED BY

NIL

  
Gordon Johnston  
Liquidator

## TIME AND CHARGE OUT SUMMARIES

| Hours                           |                         |                         |              |                            |              |                   |                     |
|---------------------------------|-------------------------|-------------------------|--------------|----------------------------|--------------|-------------------|---------------------|
| Classification of work function | Insolvency Practitioner | Manager/ Senior Manager | Supervisor   | Assistants & Support Staff | Total Hours  | Time Cost         | Average hourly rate |
| Administration & Planning       | 7 60                    | 0 15                    | 20 33        | 5 54                       | 33 62        | £5,936 42         | £176 57             |
| Investigations                  | 0 00                    | 0 00                    | 6 75         | 0 00                       | 6 75         | £1,181 25         | £175 00             |
| Realisations of assets          | 4 00                    | 0 00                    | 1 75         | 0 47                       | 6 22         | £1,676 58         | £269 55             |
| Creditors                       | 1 85                    | 0 00                    | 6 50         | 2 53                       | 10 88        | £1,794 25         | £164 91             |
| Distributions                   | 0 00                    | 0 00                    | 0 00         | 0 25                       | 0 25         | £22 50            | £90 00              |
| Tax reviews                     | 1 05                    | 0 15                    | 0 00         | 3 80                       | 5 00         | £808 75           | £161 75             |
| Closure                         | 0 50                    | 0 00                    | 0 50         | 4 26                       | 5 26         | £645 00           | £122 62             |
| <b>Total</b>                    | <b>15 00</b>            | <b>0 30</b>             | <b>35 83</b> | <b>16 85</b>               | <b>67 98</b> | <b>£12,064 75</b> | <b>£177 47</b>      |
| Current Chargeout rates         | £350                    | £200 - £275             | £150 - £175  | £50 - £125                 |              |                   |                     |
| Previous Chargeout rates        | £275 - £500             | £150 - £200             | £125         | £50 - £105                 |              |                   |                     |

## Appendix C

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

#### Policy

Detailed below is HJS Recovery'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 sub-contractors 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.

| Name of Professional Advisor                                               | Basis of Fee Arrangement     |
|----------------------------------------------------------------------------|------------------------------|
| Philip Davies & Sons Auctioneers & Valuers (Valuation and disposal advice) | 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.

#### *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 disbursements can include costs incurred by HJS Recovery for the provision of services which include an element of recharged overhead, for example, room hire or document storage. It is HJS Recovery's current policy not to charge category 2 disbursements.

### **Charge-out Rates**

A schedule of HJS Recovery's charge-out rates for this assignment effective from 1 May 2011 are detailed below -

|                                  | £         |
|----------------------------------|-----------|
| Insolvency Practitioners         | 350       |
| Senior Managers & Managers       | 200 - 275 |
| Supervisors                      | 150 - 175 |
| Administrators and Support Staff | 50 - 125  |

Specialist departments within HJS accountants, such as Tax, VAT and Pensions, do sometimes charge a small number of hours to an assignment, should the Insolvency Partners require their expert advice. Their rates do vary however, the figures given below provide an indication of the rates charged per hour.

|                                  | £         |
|----------------------------------|-----------|
| Directors                        | 110 - 175 |
| Senior Managers & Managers       | 82 - 120  |
| Supervisors                      | 42 - 70   |
| Administrators and Support Staff | 20 - 40   |

Please note that we reserve the right to amend these rates from time to time during the course of the assignment, however any material amendments to these rates will be advised to creditors.