

**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

04606478

Name of Company

Thorpe Hall Ltd

I / We
David Wilson
9th Floor
Bond Court
Leeds
LS1 2JZ

Julian Pitts
9th Floor
Bond Court
Leeds
LS1 2JZ

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 23/04/2012 to 22/04/2013

Signed



Date

Begbies Traynor (Central) LLP
9th Floor
Bond Court
Leeds
LS1 2JZ

Ref TH242CVL/DFW/JNRP/AS/RW/AXC

SATURDAY



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COMPANIES HOUSE

Thorpe Hall Ltd (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: 23 April 2012 to 22 April 2013

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"	Thorpe Hall Ltd (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 23 April 2012
"the liquidators", "we", "our" and "us"	David F Wilson of Begbies Traynor (Central) LLP, 9th Floor, Bond Court, Leeds, LS1 2JZ and Julian N R Pitts of Begbies Traynor (Central) LLP, 9th Floor, Bond Court, Leeds, LS1 2JZ
"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 names	The Golden Lion Hotel, The Coore Arms and The Wheatsheaf
Company registered number	04606478
Company registered office	Glendevon House, Hawthorn Park, Coal Road, Leeds LS14 1PQ
Former trading address	4250 Park Approach, Thorpe Park Business Park, Leeds, LS15 8GB

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	27 March 2012
Date of liquidators' appointment	23 April 2012
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 23 April 2012 to 22 April 2013

Book debts totalling £2,380 have been collected since the date of appointment. This represents a small uplift on the estimated to realise figure of £2,255

Cash in hand of £1,531 was collected on appointment in addition to £100 which was used as a float at The Golden Lion Hotel

Creditors will recall that David Wilson and Steven Williams were appointed as LPA Receivers over the Company's three freehold interests. Two properties have been sold to date, being The Wheatsheaf and The Coore Arms. No surplus is available to the Company after the costs of sale and monies due to the mortgagee had been accounted for. There remains one property to sell, The Golden Lion Hotel, however it is not anticipated that there will be a surplus payable to the liquidation estate in this instance either

£306 and £20 has been incurred in relation to statutory advertising and bonding respectively, whilst £51 has been paid to the joint liquidators in order to discharge outstanding expenses incurred

£3,292 has also been paid as part payment for the joint liquidators' statement of affairs fee

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 creditor

It is anticipated that the secured creditor, AIB Group (UK) plc, will suffer a significant shortfall on its security

Preferential creditors

No dividend is available for preferential creditors because the funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation

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

Details of how the prescribed part for unsecured creditors is calculated were provided in the report presented to creditors at the meeting of creditors held on 23 April 2012

We have estimated, to the best of our knowledge and belief, the Company's net property, as defined in Section 176A(6) of the Act in accordance with the director's statement of affairs, to be £3,639 and the prescribed part of the Company's net property to be £1,820

However, there will be no distribution of the prescribed part as our estimate of the Company's net property is less than the minimum prescribed by the Insolvency Act 1986 (Prescribed Part) Order 2003 and we think, in accordance with Section 176A(3)(b) of the Act, that the costs of making a distribution of the prescribed part to unsecured creditors would be disproportionate to the benefits

Unsecured creditors

No dividend is available for unsecured creditors because the funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation

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 23 April 2012 to 22 April 2013 amount to £10,992 which represents 49 hours at an average rate of £226 per hour

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

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 23 April 2012 to 22 April 2013
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 22 April 2013, we have not drawn any post appointment fees on account. However, we have drawn £50.50 on account in relation to disbursements

Details of the Category 2 disbursements that have been taken in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at Appendix 2

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

8. ASSETS THAT REMAIN TO BE REALISED

There remains the outstanding matter of the realisation of the Company's fixtures and fittings located at The Golden Lion Hotel. An offer for The Golden Lion Hotel has been received and accepted and this includes all of the Company's fixtures and fittings. These have been valued by Eddisons of Leeds and an amount of approximately £2,332 is anticipated to be realised at completion which will be transferred to the Company following the sale completing.

Negotiations are currently ongoing in relation to the same and the delay in the realisation of the fixtures and fittings has been caused by disputes concerning the ownership of the same.

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.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect and have completed our duties in this respect.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

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

A handwritten signature in black ink, appearing to read 'D F Wilson', written over a horizontal line.

D F Wilson
Joint Liquidator

Dated 20 May 2013

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 23 April 2012 to 22 April 2013

S of A £		£	£
	ASSET REALISATIONS		
2,254 82	Book Debts	2,379 90	
1,000 00	Fixtures & Fittings	-	
1,656 00	Cash in Hand	1,531 00	
100 00	Float	100 00	
	Bank Interest Gross	0 33	
			4,011 23
	COST OF REALISATIONS		
	Specific Bond	20 00	
	Statement of Affairs Fee	3,291 92	
	Office Holders' Expenses	50 50	
	Corporation Tax	0 03	
	Statutory Advertising	306 00	
			(3,668 45)
			<u>342 78</u>
	REPRESENTED BY		
	Bank 2 Current		342 78
			<u>342 78</u>

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 Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 23 April 2012 to 22 April 2013

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. 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.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (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 disbursements (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 is charged at the rate of £100 (London £150) per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

(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 disbursement*.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

- 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 Leeds office as at the date of this report are as follows

	Standard
	1 May 2011 –
	until further notice
	Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME	Thorpe Hall Ltd
CASE TYPE	Creditors' Voluntary Liquidation
OFFICE HOLDERS	David Wilson and Julian Pitts
DATE OF APPOINTMENT	23 April 2012

1 CASE OVERVIEW

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

There are no complexities concerning this case

1.3 Exceptional responsibilities

There are no exceptional responsibilities in this matter

1.4 The office holders' effectiveness

At present, the joint liquidators have realised all the Company's assets with the exception of the fixtures and fittings, which are valued at £2,332, negotiations in relation to which are ongoing

1.5 Nature and value of property dealt with by the office holders

The Company's main assets, three freehold interests in public houses are being handled by LPA Receivers, David F Wilson and Steven Williams of Begbies Traynor. Two of the properties have been sold with no surplus available to the Company. One property remains unsold, namely The Golden Lion Hotel, however an offer has been received which has been accepted by the bank. Regrettably, a surplus is not anticipated following the sale of this property.

The Company also had a small book debt ledger of £2,255 on appointment, however, the joint liquidators have realised £2,380 in relation to the same.

The Company also had a cash balance on appointment of £1,531.

1.6 Anticipated return to creditors

It is anticipated that the secured creditor will suffer a significant shortfall on its security.

It is not anticipated that there will be sufficient funds to enable a distribution to be made to any other class of creditor.

1.7 Time costs analysis

An analysis of time costs incurred between 23 April 2012 and 22 April 2013 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type.

The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only.

1 8 Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to the Liquidators' appointment in summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors at the Section 98 meeting

1 9 The views of the creditors

Creditors are invited to bring any matters deemed relevant to the joint liquidators' attention

1 10 Approval of fees

The joint liquidators' fees were approved by creditors at the initial meeting of creditors held on 23 April 2012

1 11 Approval of Expenses and Disbursements

The joint liquidators' expenses were approved by creditors at the initial meeting of creditors held on 23 April 2012

1 12 Category 2 Disbursements

In accordance with the resolution obtained in relation to expenses and disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of my appointment

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage – 110 miles at 45p/mile	49 50
TOTAL	49 50

1 13 Other professionals employed & their costs

There have been no other professionals instructed by the liquidators

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at this Appendix

2 2 The rates charged by the various grades of staff who may work on a case are attached at this Appendix

3 SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT

3 1 Since the date of our last report, the following work has been carried out

- Asset realisation,
- Statutory matters, and
- Creditor correspondence

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STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Statutory advertising	Courts Advertising Limited	306	306	-
Bond	Marsh Ltd	20	20	-