

LIQ03

Notice of progress report in voluntary winding up



Companies House

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01/09/2017

#16

COMPANIES HOUSE

1 Company details

Company number 05009850

Company name in full Broken Rainbow LGBT Domestic Violence Service (UK)

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Kevin

Surname Lucas

3 Liquidator's address

Building name/number 32 Stamford Street

Street Altrincham

Post town Cheshire

County/Region

Postcode WA14 1EY

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 0	^d 5	^m 0	^m 7	^y 2	^y 0	^y 1	^y 6
To date	^d 0	^d 4	^m 0	^m 7	^y 2	^y 0	^y 1	^y 7

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

X

Signature date

^d 1	^d 7	^m 0	^m 8	^y 2	^y 0	^y 1	^y 7
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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	Kevin Lucas
Company name	Lucas Johnson Limited
Address	32 Stamford Street
	Altrincham
Post town	Cheshire
County/Region	
Postcode	W A 1 4 1 E Y
Country	
DX	
Telephone	0161 929 8666



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

BROKEN RAINBOW LGBT DOMESTIC VIOLENCE SERVICE (UK) - IN LIQUIDATION

**Liquidator's first Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986
For the period from 5 July 2016 to 4 July 2017**

**BROKEN RAINBOW LGBT DOMESTIC VIOLENCE SERVICE (UK) - IN LIQUIDATION
FOR THE PERIOD FROM 5 JULY 2016 TO 4 JULY 2017**

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Receipts and Payments Account

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SIP 9 Time Analysis and Category 2 disbursements

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**BROKEN RAINBOW LGBT DOMESTIC VIOLENCE SERVICE (UK) - IN LIQUIDATION
FOR THE PERIOD FROM 5 JULY 2016 TO 4 JULY 2017**

1. STATUTORY INFORMATION

Date of Winding Up Resolution:	05 July 2016
Name of Liquidator:	Kevin Lucas of Lucas Johnson Limited, 32 Stamford Street, Altrincham, WA14 1EY
Date of Appointment:	5 July 2016
Company Name:	Broken Rainbow LGBT Domestic Violence Service (UK) ("the Company or the Charity")
Trading Styles:	N/A
Registered Number:	05009850
Registered Office:	32 Stamford Street, Altrincham, Cheshire, WA14 1EY
Changes in Office Holder:	None

2. INTRODUCTION

- 2.1 A resolution to wind up the above Company was passed on 5 July 2016, when Kevin Lucas was appointed Liquidator.
- 2.2 This is the first annual progress report to creditors and covers the period from 5 July 2016 to 4 July 2017 and is issued pursuant to Section 104A of the Insolvency Act 1986 to provide creditors with an update on the progress of the Liquidation.
- 2.3 References in this report to Rules and Sections are, unless expressly provided otherwise, respectively references to the Rules of the Insolvency (England & Wales) Rules 2016 ("the Rules") and to Sections of the Insolvency Act 1986 ("the Act").

3. PROGRESS OF THE LIQUIDATION DURING THE REPORTING PERIOD

Cash in Hand

- 3.1 As detailed in the Statement of Affairs ("S of A"), the sum of £6,217 was held by the Company and this was remitted to the Liquidation estate account following the Liquidators appointment.
- 3.2 No further funds will be realised from this source.

Cash at Bank

- 3.3 Following the Liquidators appointment, the Liquidator wrote to the Company's pre-appointment bank Unity Trust Bank and was informed that the sum of £562.97 was held.
- 3.4 It was requested that the balance of funds be remitted directly to the Liquidation estate account. This has been received in full and no further funds are anticipated in this matter.

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Furniture, Fixtures & Equipment

- 3.5 Prior to the Liquidators appointment JPS Chartered Surveyors ("the Agents") conducted a valuation of the Company's tangible assets which comprised of Furniture, Fixtures & Equipment.
- 3.6 The S of A included these assets with a book value of £3,016 and an estimated to realise value of £950.
- 3.7 In light of the costs of the removal in comparison to the potential realisable value for these assets, it was not anticipated that it would be cost effective to retrieve the assets pre liquidation other than 2 Apple computers, which contained information pertaining to the affairs of the charity.
- 3.8 Upon collection of the PC's prior to liquidation they were briefly reviewed to ascertain whether they contained any information. One PC did contain information, however this was remotely wiped upon the appointment of the liquidator as it was tied to the personal apple icloud account of a former employee. It has not been possible to retrieve this information. Despite several attempts to retrieve this information it has not been possible.
- 3.9 It then transpired several weeks after the liquidation that the assets of the charity were being held at a restaurant in Manchester City Centre.
- 3.10 JPS have achieved realisations of £372 in this regard.

Future Realisations

- 3.11 Save for the above and the matters mentioned under investigations below the Liquidator is not aware of any other assets to be realised for the benefit of the creditors of the estate.

4. RECEIPTS AND PAYMENTS ACCOUNT

- 4.1 A Receipts and Payments Account for the period is attached at Appendix 1.

5. LIQUIDATOR'S REMUNERATION AND DISBURSEMENTS

- 5.1 The Liquidator's time costs for the period 5 July 2016 to 4 July 2017 are £19,222.50 and are shown in more detail in Appendix 2. This represents 84.40 hours at an average hourly rate of £227.75. Time has been mainly spent on Administration & Planning, Creditors, Investigations and Realisation of Assets.
- 5.2 Below is further guidance on the work involved for each category:

Category	Description of work undertaken
Admin & Planning	This represents time incurred preparing statutory documents including reports for creditors, Companies House and other stakeholders. Time has also been incurred completing formal periodical reviews on the case as required by the Liquidator's regulatory guidelines as well as all other internal matters in connection with the case.
Creditors	Time has been incurred assisting the former employees with the completion of their claims to the Redundancy Payments Service, as well as providing the necessary information from the Charity's records. Time has also been spent liaising with the unsecured

**BROKEN RAINBOW LGBT DOMESTIC VIOLENCE SERVICE (UK) - IN LIQUIDATION
FOR THE PERIOD FROM 5 JULY 2016 TO 4 JULY 2017**

	creditors and providing information on the progress of the Liquidation.
Investigations	This represents time incurred conducting the statutory investigations into the conduct of the Trustees prior to the Liquidator's appointment. A complete review of the Charity's bank statements and all records has also been compiled. The Liquidator has also liaised with numerous third parties in respect of providing information and assistance in respect of the Charity's records held.
Realisation of Assets	Time has been incurred realising the Charity's assets which have specifically included the cash at bank and cash in hand. These assets have all been realised in full.

5.3 No steps have been taken to fix the basis of the Liquidator's remuneration and therefore no remuneration has been or will be drawn in this matter.

5.4 Disbursements incurred by the Liquidator are split into two categories:

- Category 1 disbursements are items of specific expenditure that are directly related to the case and are usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- Category 2 disbursements are 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. As detailed above, no approval has been obtained in respect of the drawing of Category 2 disbursements.

5.5 Category 2 disbursements incurred are shown at Appendix 2. As required by Statement of Insolvency Practice Number 9, a schedule of the Liquidator's charge out rates and disbursement charging policies is shown at Appendix 3.

5.6 During the period, no Category 2 disbursements have been incurred or drawn.

5.7 A copy of 'A Creditors' Guide to Liquidators' Fees' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set is available at <http://www.lucasjohnson.co.uk/downloads/fee-guides/>. Alternatively, if you require a hard copy of the Guide, please contact the Liquidator's office accordingly.

6. LIQUIDATOR'S EXPENSES

6.1 Details of the Liquidator's expenses paid during the reporting period are shown on the receipts and payments account at Appendix 1. There may also be various expenses incurred for which payment has not yet been made. For clarity, all expenses incurred are set out below:

Expense Incurred	Name of provider	Amount incurred (£)	Amount discharged (£)	Balance Outstanding (£)
Agents Fees	JPS Chartered Surveyors	190.00	190.00	Nil
Courier*	Transglobal Services	17.21	17.21	Nil
Room Hire	Bruntwood	70.00	70.00	Nil
Specific Bond	Marsh Limited	30.00	30.00	Nil
Statutory Advertising*	London Gazette	173.88	173.88	Nil

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- 6.2 JPS Chartered Surveyors were instructed to prepare a valuation of the Company assets prior to the Liquidators appointment.
- 6.3 The expenses incurred for the Agents Fees, Specific Bond and Room Hire were discharged from the funds held in the Liquidation estate account, the remaining expenses (marked *) were paid directly by Lucas Johnson Limited and will be recharged to the estate in due course.

7. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

Outcome for Secured Creditors

- 7.1 There are no secured creditors in this matter.

Outcome for Preferential Creditors

- 7.2 The S of A detailed that there were preferential creditors of £3,600 in respect of arrears of wages and holiday pay.
- 7.3 The Redundancy Payments Service ("RPS") have submitted a preferential claim in the Liquidation for the sum of £882.12, based on current estimates there will be insufficient funds to enable a distribution to the preferential creditors in this matter.

Prescribed Part pursuant to Section 176A of the Act

- 7.4 Under Section 176A of the Act a liquidator is required to set aside a proportion of the realisations for unsecured creditors where there is a secured creditor who holds a qualifying floating charge created on or after 15 September 2003. This is known as the Prescribed Part.
- 7.5 As there are no qualifying floating charges registered at Companies House, the Prescribed Part does not apply in this matter.

Outcome for Unsecured Creditors

- 7.6 The S of A detailed unsecured creditors of £59,162. As at the date of this report, only one claim has been received from an unsecured creditor in the sum of £2,358.
- 7.7 Due to the limited asset realisations in this matter, it is not anticipated that a dividend to the unsecured creditors will be available.

Investigations

- 7.8 In accordance with the Company Directors Disqualification Act 1986 the Liquidator can confirm that a report on the conduct of the Trustees of the Company has been submitted to the Insolvency Service. As this is a confidential report, it is not possible to disclose the contents.
- 7.9 The Liquidator has been involved in a number of investigations with outside agencies including the Charity Commission and National Audit Office.
- 7.10 In addition a number of public articles have appeared detailing a number of matters suggesting actions were taken that were against the interests of the charity and its stakeholders.

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- 7.11 The Liquidator struggled for some time with a lack of co-operation from a number of parties despite them being advised of their obligations in accordance with the Insolvency Act. Several parcels of information were then provided to other investigating agencies and not to the officeholder leading to delays in investigations into the allegations moving forward in a timely manner.
- 7.12 All of this work has identified a number of matters where further investigation was needed to establish whether initial findings and allegations give rise to additional assets to be recovered or rights of action that may exist to seek recompense for creditors. If either of these do exist, consideration will then be given to whether or not action against any relevant parties is commercially beneficial. It is currently uncertain if, once these matters have been concluded, there will be any benefit for the creditors of the estate. Whilst there is some information in the public domain via other sources, the Liquidator does not deem it appropriate to comment further at present in order not to prejudice these ongoing matters.
- 7.13 A further update will be provided to creditors in due course.

Creditors' rights

- 7.14 In accordance with Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors or the permission of the court, may, where it is believed the basis or quantum of remuneration or expenses charged by the Liquidator are, in all the circumstances, excessive or inappropriate, apply to the court within the prescribed period for an order adjusting the remuneration or expenses.
- 7.15 In accordance with Rule 18.9 of the Rules a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors or the permission of the court has the right to make a request in writing to the Liquidator for further information about remuneration or expenses set out in this progress report. If no response is received within 14 days any creditor has the right to apply to court within the subsequent 21 day period for the court to make such order as it thinks just.

Next Report to Creditors

- 7.16 The next report to creditors will be sent out to creditors following the next anniversary of the Liquidation or the conclusion of the winding up, whichever may be sooner.

Kevin Lucas
Liquidator

25 August 2017

APPENDIX 1 – RECEIPTS AND PAYMENTS ACCOUNT

BROKEN RAINBOW LGBT DOMESTIC VIOLENCE SERVICE (UK) - IN LIQUIDATION

RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD 5 JULY 2016 TO 4 JULY 2017

Broken Rainbow LGBT Domestic Violence Service (UK)
(In Liquidation)
Liquidator's Summary of Receipts & Payments
To 04/07/2017

S of A £		£	£
	ASSET REALISATIONS		
950.00	Furniture, Fixtures & Equipment	NIL	
6,217.12	Cash In hand	6,217.12	
	Cash at bank	562.97	
	Bank Interest Gross	0.91	
			6,781.00
	COST OF REALISATIONS		
	Specific Bond	30.00	
	Preparation of Statement of Affairs	4,000.00	
	Meeting Room Hire	70.00	
	Agents/Valuers Fees	190.00	
	VAT Irrecoverable	838.00	
			(5,128.00)
	PREFERENTIAL CREDITORS		
(3,600.00)	Employee Arrears/Hol Pay	NIL	
			NIL
	UNSECURED CREDITORS		
(17,162.00)	Trade & Expense Creditors	NIL	
(10,000.00)	Employees Redundancy and Notice Pay	NIL	
(2,000.00)	HM Revenue & Customs - PAYE/NIC	NIL	
(30,000.00)	HM Revenue & Customs - VAT	NIL	
			NIL
(55,594.88)			1,653.00
	REPRESENTED BY		
	Vat Receivable		14.00
	Bank 1 Current		1,639.00
			1,653.00

Note:

Kevin Lucas
Liquidator

APPENDIX 2 – SIP 9 TIME ANALYSIS AND CATEGORY 2 DISBURSEMENTS

BROKEN RAINBOW LGBT DOMESTIC VIOLENCE SERVICE (UK) - IN LIQUIDATION

TIME ANALYSIS FOR THE PERIOD 5 JULY 2016 TO 4 JULY 2017

Time Entry - SIP9 Time & Cost Summary

B0017 - Broken Rainbow LGBT Domestic Violence Service (UK)
All Post Appointment Project Codes
From: 05/07/2016 To: 04/07/2017

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	3.60	3.80	23.50	3.40	34.30	7,347.50	214.21
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.30	0.60	5.80	0.00	6.70	1,430.00	213.43
Investigations	6.10	11.00	20.70	0.00	37.80	9,325.00	246.69
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	5.60	0.00	5.60	1,120.00	200.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	10.00	16.40	55.60	3.40	84.40	19,222.50	227.76
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

APPENDIX 3 – LUCAS JOHNSON

CHARGE OUT RATES AND DISBURSEMENT POLICY EFFECTIVE FROM 1 JANUARY 2016

Fee Accrual

The Office Holder is the general name for the Insolvency Practitioner dealing with the case affairs.
In accordance with the Act and the Rules, the Office Holder shall charge appropriate fees for dealing with the case affairs.

It is usual practice for the agreement of fees to be sought on the basis of time properly incurred in dealing with the case. However on occasion it is necessary to seek agreement of fees as a fixed percentage of assets realised and/or distributions made, or indeed a defined fixed fee.

The precise basis of how fees are to be incurred will be formally given to creditors prior to agreement being sought.

The legal agreement and basis upon which post appointment fees are agreed is determined by the relevant category of creditors, details of which are explained within the respective independent creditors' guides to fees.
Unless otherwise advised, fees shall be drawn on account from the case funds as and when realisations allow, subject to agreement.

Estimation of Fees

Where an Office Holder wishes to seek the agreement of fees on a time costs basis, he is required to give creditors full details of not only what he believes such fees to be, but what works shall be done in relation to those fees.

Because it is quite difficult to contemplate what a case will involve before appointment, we have gathered information to work out average time required to complete similar work for this type of appointment.

The fee estimate for time costs has been proposed using average data from this review. This forms the basis of our time costs projection.

This forecast is based upon the firm's policy in relation to the projection of fees for this type of insolvency. Calculations have been made using specific details of the case such as the type of realisations, number of creditors and the anticipated duration of the case prior to closure.

Fees Charged on Fixed Fee Basis

Fixed fees are per matter. For example correspondence with creditors may be charged at a fixed rate of £50 per creditor per annum, similarly employees, directors, shareholders may all be charged on a fixed cost basis per annum. Any costs shown for these fees should not usually change from that guide provided.

Fees on a Percentage Basis

Where it is intended that fees be drawn on a percentage basis, for example the realisation of assets, or the distribution of funds, these fees can only be calculated on the amount of funds to be dealt with. This final fee may therefore be lower than that information provided in our guide or indeed not at all.

Contingent Fees

Contingent fees (where applicable) are those which are only payable on the recovery of a windfall and the later distribution to creditors where a dividend can be paid. All contingent fees, whether for the recovery of a windfall or contingent asset are fixed at 20%.

All future distributions are to be charged at 10%, irrespective of whether the initial forecast shows a distribution to be payable.

Fee Basis

In order to simplify information, the basis for post appointment fee shall simply be referred to as our Fee Policy.

Staff

Each member of staff involved with the case will time charge on an individual basis. The hourly cost of each member of staff shall be calculated in accordance with their experience and resultant grade within the practice.

In view of the complexity of the work involved, it is not practice policy to use sub contractors, however we reserve the right to do so should the case require. Details of any sub contractor used and the reasons why shall be provided within the respective statutory report SIP 9 detail.

VAT

Services provided by Insolvency practitioners are subject to VAT, except when acting as Nominee or Supervisor of an estate.

Our fees will be subject to VAT at the appropriate rate.

Where the case is not registered for VAT, VAT shall be shown as an irrecoverable expense of the estate.

Disbursements

Every case dealt with will incur expenses in addition to fees.

Expenses will cover a number of areas, such as advertising, insolvency practitioner insurance and legal fees.

Where the Office Holder or his firm pays these out of their own funds (e.g. the firm's office account) these will be classed as Disbursements. The Office Holder is required to explain the amount and nature of such disbursements whenever a formal abstract of accounts is produced.

Regulations require that we separate category 1 and 2 disbursements for your information. An explanation of which is as follows:

Category 1 Disbursements:

Category 1 disbursements are expenses directly attributable to the case, where exact costs can be ascertained and recharged without profit. These can, but are not limited to, include insolvency bonds, advertising, company searches, post redirection orders, postage, external room hire, external storage as well as public transport and accommodation costs incurred by staff whilst attending to the administration of the estate.

Category 2 Disbursements

Category 2 disbursements are additional overheads that relate to the estate but are either not directly attributable to it, or the exact cost is not ascertainable and therefore cannot be precisely recharged. These expenses include, inter alia, stationery, photocopying and storage costs.

Any authorised category 2 disbursements which have been charged shall be shown in the statutory abstract of accounts'

The following are a current schedule of category 2 disbursements which may (*) be charged by Lucas Johnson

- Mileage shall be recharged at 50pence per mile
- Destruction of boxes shall be recovered as a category 1 expense; and
- Storage of books and records at £30 per box per annum
- Fixed charge for the issue of each circular at £10 per relevant party per annum.
- Internal meeting room (where required) charged at £50 per hour or part thereof.

(*) Lucas Johnson does not ordinarily recover all category 2 disbursements, but reserves the right to do so, where such disbursements are substantial and appropriate sanction has been obtained.

The following items of expenditure will normally be treated as general office overheads by the Office Holder and will not be charged to the case:

- Telephone and facsimile
- Printing and photocopying
- Stationery
- Email addresses or telephone numbers set up and used exclusively for the case
- Destruction of boxes

Disclosure of Use of Connected Parties

Please note that where it is necessary to use the services of an external agent who is associated to the Office Holder's business by way of common directors and/or shareholders, it is advised by law, that this shown as a category 2 disbursement. Kindly note that no additional profit element will be charged in regard to these services, if applicable. At the effective date of this policy, the Office Holder had no connection with any external agent.

Charge Out Rates

A table of current hourly charge out rates are provided below:

Charges for usual cases	(£)
Partner/Director/Consultant	350
Manager/Senior Manager	250-275
Assistant Manager	225
Administrator/Senior Administrator	150-200
Cashier^(#)	100
Junior and Support Staff	100

(#) Please note that time charged by our cashiers relates only to accounting matters relevant to the case.

The basis upon which the Office Holder determines the appropriate charge out rate on the complexity of the case is detailed in the respective independent creditors' guides to fees, available to download from our company website or by email from this office.

Further, the Office Holder reserves the right to uplift both the hourly rates and category 2 disbursements periodically without further recourse to the creditors. By law, such increases must be disclosed to creditors within each statutory report.

Support Staff

In an effort to minimise costs to the case, it is necessary to use support staff to undertake certain matters. Support staff time is charged in the same manner as technical staff on the rates outlined above.

Recording of Fees

Time is formally recorded in prescribed categories in units of 6 minutes. All units of time properly spent, shall be recorded on a formal time management system and retained throughout appointment, irrespective of the basis of fees.

Reporting of Fees

All reports and correspondence detailing fees incurred and indeed drawn will provide the legal basis upon which fees have been incurred and from whom sanction was given in relation to those fees.

Such information shall be contained within statutory progress reports and be in the prescribed form. When providing such a report, under existing insolvency regulations, creditors are able to request further and better particulars of fees and disbursements where they believe further explanation is required.

The exact basis of how requisite members and creditors may request such information will be attached with each statutory progress report subsequently issued.

Code of Ethics

I am required to advise you at the earliest opportunity, that I am bound by the Code of Ethics of my regulator ICAEW.