

The Insolvency Act 1986

Liquidator's Progress Report

S.192Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986

To the Registrar of Companies

For official use

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Company Number

06002186

Insert full name of
company

Name of Company

CFG LEISURE 1 LIMITED

Insert full name(s) and address(es)

I/We (a) N A Bennett
One Great Cumberland Place, London
W1H 7LWthe liquidator (s) 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 5 December 2011 to 4 December 2012

Signed



Date

21/12/12

Presenter's name,
address and reference
(if any)Leonard Curtis
One Great Cumberland PlaceMarble
Arch, London W1H 7LW
(Ref MP/18)

For Official Use

SATURDAY



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COMPANIES HOUSE



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

CFG LEISURE 1 LIMITED
(In Creditors' Voluntary Liquidation)

Registered Number 06002186

Liquidator's Annual Progress Report
for the period from 5 December 2011 to 4 December 2012

21 December 2012

Leonard Curtis

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Ref L/18/MP/SCFG06/1010

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TO THE REGISTRAR OF COMPANIES, ALL MEMBERS AND ALL CREDITORS

1 INTRODUCTION

- 1.1 I, N A Bennett, was appointed Liquidator of CFG Leisure 1 Limited ("the Company") when a Notice of Move from Administration to Creditors' Voluntary Liquidation was filed with the Registrar of Companies on 5 December 2012. I am licensed in the UK by the Insolvency Practitioners Association.
- 1.2 This progress report provides an update on the conduct of the liquidation as required by Section 104(a)(1) of the Insolvency Act 1986. It contains details of the progress made, the expected outcome for creditors and other information that I am required to disclose.

2 PROGRESS OF THE LIQUIDATION

- 2.1 The Company's registered office was changed from 15 Titan Court, Laporte Way, Luton, Bedfordshire, LU4 8EF to One Great Cumberland Place, Marble Arch, London W1H 7LW in the Administration that preceded the liquidation. The registered number is 06002186.
- 2.2 The Company was placed into Administration following the insolvency of Helena Leisure Limited, which had an agreement to operate nightclubs and at the time of its insolvency owed the Company £4,010,760.
- 2.3 Since my appointment I have recovered further rates refunds of £10,506. No further recoveries are expected.

3 ASSETS THAT REMAIN TO BE REALISED

- 3.1 There are no further assets to be realised.

4 RECEIPTS AND PAYMENTS ACCOUNT AND OUTCOME FOR CREDITORS

Receipts and Payments Account

- 4.1 I attach at Appendix A a summary of my receipts and payments during the period of this report. This shows that the surplus received from the Administration was £35,358.
- 4.2 Details of expenses incurred and paid during the period of this report are shown on the receipts and payments account. Expenses incurred but not yet paid are as follows:

Detail	£
Liquidator's Remuneration	7,416.50
Corporation Tax	12.28
Total	7,428.78

Creditors

4.3 Secured Creditors

Sofiya Limited ("Sofiya") hold a debenture dated 3 April 2009 incorporating fixed and floating charges over the assets of the Company. At the time of Administration, Sofiya were owed £220,156 and have been repaid £24,041 in relation to its security. Sofiya will suffer a significant shortfall.

4.4 Preferential Creditors

There are no preferential claims

4.5 Prescribed Part

The Act provides that, where a company has created a floating charge after 15 September 2003, I must make a prescribed part of the Company's net property available to the unsecured creditors. This would apply to the floating charge in favour of Sofiya as the net property, after costs, exceeds the statutory minimum of £10,000 and will therefore apply

4.6 Unsecured Creditors

On 3 August 2012, a dividend payment of £4,758 was made to the unsecured creditors representing a first and final dividend of 0.000676p in the £. There will be no further funds available to distribute to unsecured creditors

5 INVESTIGATIONS

5.1 I have complied with my statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority

5.2 I have carried out enquiries that I considered to be proportionate to the circumstances of the case. After completing these I was of the opinion that there were no matters that might lead to recoveries for the estate and that no further investigation was appropriate

6 LIQUIDATOR'S REMUNERATION AND DISBURSEMENTS

6.1 In accordance with the resolution passed in the Administration that preceded the liquidation my remuneration is fixed and payable by reference to the time properly given by me and my staff in attending to matters arising in the liquidation. To date I have drawn remuneration of £9,000 against time costs incurred during the period of this report of £16,416.50 which represent 62.70 hours at an average hourly rate of £261.83. I attach at Appendix B a time analysis which provides details of the activity costs incurred by staff grade during the liquidation. Details of my company's charge out rates and policy regarding the recharge of disbursements, staff allocation, support staff and the use of subcontractors are also attached at Appendix C. Further information may be found in "Guide to Liquidators' Fees". This may be downloaded from www.leonardcurtis.co.uk/resources/creditorsguides or is available from my office free of charge on request.

6.2 In accordance with Rule 12.2(2) of the Insolvency Rules 1986, the costs associated with the prescribed part shall be paid out of the prescribed part. Time costs of £9,094 have been incurred dealing with the prescribed part. However, I have restricted my costs to £5,000. In the absence of any further funds, the balance has been written off.

6.3 Also, in accordance with the resolution passed in the Administration, creditors approved the basis for recharging disbursements that include an element of allocated cost or payments to outside parties in which my company or I have an interest. In this case, no costs falling into these categories have been incurred.

6.4 During the liquidation I have used the following professional advisors, including subcontractors

Name of Professional Advisor	Service Provided	Basis of Fees
CAPA	Property Consultancy	Commission

Details of my company's policy regarding the choice of professionals, including subcontractors, and the basis for their fees are included in Appendix C

7 CREDITORS' RIGHTS

7.1 A secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may within 21 days of the receipt of this report make a request in writing to me for further information about remuneration or expenses set out in this report

7.2 Within 14 days of receipt of the request, I must provide all of the information asked for, except so far as I consider that -

- i) the time or cost of preparation of the information would be excessive, or
- ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
- iii) I am subject to an obligation of confidentiality in respect of the information

I must also give reasons for not providing all of the information

7.3 Any creditor of the Company, who need not be the same creditor who asked for the information, may within 21 days of my giving reasons for not providing all of the information, or if I fail to provide the information with 14 days of being so requested, apply to the Court and the Court may make such order as it thinks just

7.4 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 my remuneration, the remuneration charged or the expenses incurred by me as set out in this progress report are excessive

If you require further information please contact my office in writing. Electronic communications should include a full postal address.

Yours faithfully



N A BENNETT
Liquidator

Licensed in the UK by the Insolvency Practitioners Association

APPENDIX A

Summary of Liquidator's Receipts and Payments
from 5 December 2011 to 4 December 2012

	Fixed	Floating	
	£	£	£
RECEIPTS			
Surplus from Administration	-	35,358 34	35,358 34
Rates Refund	-	10,505 99	10,505 99
Deposit Interest Gross	-	51 18	51 18
	-	45,915 51	45,915 51
PAYMENTS			
Agents' Fees and Expenses	-	3,677 10	3,677 10
Postage and Photocopying	-	57 72	57 72
Statutory Advertising	-	76 50	76 50
IT Licence Fee	-	75 00	75 00
Sundry Disbursements	-	92 00	92 00
Storage Charges	-	105 00	105 00
Unpaid Pre-Administration Costs	-	1,200 00	1,200 00
Balance of Joint Administrators' Remuneration	-	2,130 00	2,130 00
Liquidator's Remuneration - on account	-	9,000 00	9,000 00
	-	29,502 19	29,502 19
DISTRIBUTIONS			
Secured Creditor			
Sofiya Limited - on account of floating charge	-	24,041 30	24,041 30
Unsecured Creditors			
First and Final Dividend of 000676p in the £ on claims totalling £7,039,271 92 paid on 3 August 2012	-	4,758 48	4,758 48
Balances in Hand	-	702 41	702 41

CFG Leisure 1 Limited
(In Creditors' Voluntary Liquidation)

Summary of Liquidator's Time Costs from 5 December 2011 to 4 December 2012

	Director		Associate Director/ Principal Manager		Manager 1		Manager 2		Administrator 3		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	40	1,725 00	7	269 50	-	-	52	1,482 00	-	-	20	270 00	119	3,746 50	314 83
Receipts & Payments	-	-	-	-	-	-	28	798 00	-	-	22	297 00	50	1,095 00	219 00
Assets	-	-	-	-	-	-	1	28 50	-	-	-	-	1	28 50	285 00
Liabilities	10	425 00	-	-	54	1,778 00	205	5,842 50	6	90 00	71	958 50	346	9,094 00	262 83
Landlords	-	-	-	-	5	162 50	39	1,111 50	-	-	-	-	44	1,274 00	289 55
Debenture Holder	-	-	-	-	-	-	1	28 50	-	-	-	-	1	28 50	285 00
General Administration	-	-	-	-	-	-	-	-	10	150 00	10	135 00	20	285 00	142 50
Appointment	-	-	-	-	10	325 00	-	-	25	375 00	-	-	35	700 00	200 00
Post Appointment Creditor Reporting	-	-	-	-	-	-	-	-	11	165 00	-	-	11	165 00	150 00

Total	50	2,150 00	7	269 50	69	2,265 50	326	9,291 00	52	780 00	123	1,660 50	627	16,416 50	
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Average Hourly Rate (£)		<u>430 00</u>		<u>385 00</u>		<u>328 33</u>		<u>285 00</u>		<u>150 00</u>		<u>135 00</u>		<u>261 83</u>	
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All Units are 6 minutes

APPENDIX C

ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF LEONARD CURTIS REGARDING FEES AND DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant

Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case.

Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured and/or preferential creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the office holders reserve the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 7 May 2012 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Previous Rates			New Rates	
	Standard	Complex		Standard	Complex
	£	£		£	£
Director	450	563	Director	425	531
Associate Director	350	438	Senior Manager	385	481
Senior Manager	325	406	Manager 1	330	413
Manager 1	250	313	Manager 2	285	356
Manager 2	200	250	Administrator 1	230	287
Manager 3	175	219	Administrator 2	210	262
Senior Administrator	150	188	Administrator 3	190	237
Administrator	100	125	Administrator 4	135	168
Support	0	0			

The Use of Subcontractors

Details of any subcontractor(s) used are given in the attached report.

Professional Advisors

Details of any professional advisor(s) used are given in the attached report. Unless otherwise indicated the fee arrangement for each will be based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors will be based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Disbursements

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses, incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Where we propose to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, documents storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the liquidator's remuneration. Such expenditure is referred to as a "category 2 disbursement". In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Room Hire	£100
Storage of office files (6 years)	£88.75 per box
Car Mileage	45p per mile