

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

06486952

Name of Company

Golden Valley Chinese Food Limited

I / We

Julie Swan, St Martins House, The Runway, South Ruislip, Middlesex, HA4 6SE

Mark Phillips, St Martins House, The Runway, South Ruislip, Middlesex, HA4 6SE

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 08/10/2014 to 07/10/2015

Signed



Date

5 12 2015

PCR (London) LLP
St Martin's House
The Runway
South Ruislip
Middlesex, HA4 6SE

Ref N0GOL01/JAS/MP/DA/KH

FRIDAY



A5MF3Y49

A35

23/12/2016

#272

COMPANIES HOUSE

Golden Valley Chinese Food Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 08/10/2014 To 07/10/2015	From 08/10/2012 To 07/10/2015
	ASSET REALISATIONS		
NIL	Furniture & Equipment	NIL	NIL
NIL	Stock	NIL	NIL
Uncertain	Recovery from director	25,000 00	25,000 00
8,000 00	Cash at Bank	NIL	5,026 98
	Bank Interest Gross	3 37	4 57
		<u>25,003 37</u>	<u>30,031 55</u>
	COST OF REALISATIONS		
	Legal Fees & Disbursements	5,100 00	5,100 00
	comp hse searches	NIL	NIL
		<u>(5,100 00)</u>	<u>(5,100 00)</u>
	COST OF ADMINISTRATION		
	Specific Bond	90 00	90 00
	Preparation of S of A	NIL	NIL
	Public Notices	NIL	NIL
	Statement of Affairs Fee	NIL	3,000 00
	Liquidators Fees	15,550 00	16,740 00
	Liquidators Expenses	36 00	36 00
		<u>(15,676 00)</u>	<u>(19,866 00)</u>
	PREFERENTIAL CREDITORS		
(1,000 00)	Employee Claims	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(1,500 00)	Trade & Expense Creditors	NIL	NIL
(10,000 00)	Employee Claims	NIL	NIL
(132 00)	Directors	NIL	NIL
(500 00)	HMRC - PAYE/NI	NIL	NIL
(17,414 00)	HMRC - VAT	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(22,646.00)</u>		<u>4,227 37</u>	<u>5,065.55</u>
	REPRESENTED BY		
	VAT Receivable		80 00
	Bank 1 - Current		90 35
	Vat Control Account		4,895 20
			<u>5,065 55</u>



**Golden Valley Chinese Food Limited
(In Liquidation)**

**Joint Liquidators'
Annual progress report
prepared in accordance with s104A of the Insolvency Act 1986
and Rule 4.49C of the Insolvency Rules 1986 (as amended)**

Date 4 December 2015

Golden Valley Chinese Food Limited (In Liquidation)
CONTENTS

- 1 Statutory Information
- 2 General Update on the Liquidation
- 3 Receipts and Payments Account
- 4 Liabilities
- 5 Dividend Prospects
- 6 Investigations into Affairs of the Company
- 7 Joint Liquidators' Remuneration & Disbursements
- 8 Further Information
- 9 Summary

APPENDICES

- I Joint Liquidators' Receipts and Payments Account for the period 8 October 2014 to 7 October 2015 and a cumulative account for the period 8 October 2012 to 7 October 2015
- II Time Cost Analysis for the period 8 October 2014 to 7 October 2015 and a cumulative for the period 8 October 2012 to 7 October 2015
- III PCR's Charge out Rates Summary

Golden Valley Chinese Food Limited ("the Company")

Joint Liquidators' Third Progress Report to Creditors

1 Statutory Information

Company Name	Golden Valley Chinese Food Limited
Registered Office	Second Floor, Cuthbert House, All Saints Business Centre, Newcastle upon Tyne, NE1 2ET
Former Registered Office	Lison House, 173 Wardour Street, London, W1F 8WT
Registered Number	06486952
Date of Incorporation	29 January 2008
Trading Address	12 Front Street, Lancaster, Durham, DH7 0ER
Principal Trading Activity	Take-away food shops and mobile food stands
Joint Liquidators' Names	Julie Swan & Mark Phillips
Joint Liquidators' Address	Second Floor, Cuthbert House, Newcastle upon Tyne, NE1 2ET
Date of Appointment	8 October 2012
Company Director	Ms Zhujin Wu
Shareholding	100 Ordinary Shares of £1 each Ms Zhujin Wu- 100 Ordinary Shares
Charge Holder	None Registered

2 General Update on the Liquidation

In our previous annual progress report, we reported that £5,028 cash held at bank had been realised

We also informed creditors that during a VAT investigation in 2012 the Company's Director admitted that cash sales had been understated by an estimated £146,925. After allowing for costs of sales applicable to a business of this nature, it is estimated a gross profit of £93,669 would have arisen. We considered that the director has had the benefit of this sum and solicitors were instructed to deal with this matter.

We confirm we have accepted an offer of £25,000 as full and final settlement and this has now been received in full.

We are satisfied that there are no further assets available and there will be no further realisations in the Liquidation.

3 Receipts and Payments Account

Our Receipts and Payments Account for the period from 8 October 2014 to 7 October 2015 is attached at Appendix 1 and incorporates a cumulative account for the duration of the Liquidation from 8 October 2012 to 7 October 2015.

4 Assets

Cash at Bank

The Company's Statement of Affairs reflected cash at bank balance which had an estimated to realise balance of £8,000. However, following our appointment, contact was made with Lloyds Bank who advised that the balance held on account was £5,028. This sum was therefore realised and is detailed on the attached Receipts and Payments account.

Director's Loan Account

As stated in our previous reports, solicitors were instructed to negotiate with the director's legal representative in respect of the understated gross profit of £93,699.

To consider the director's financial position, the director was asked to complete an asset and liability statement and having considered the director's completed asset and liability statement, we conducted an investigation to determine the value of the director's property to understand the potential benefit that would be realised if we were to petition for the director's bankruptcy.

From our investigation it would appear that after paying the mortgagee and other associated costs, there would be £25,000 available to distribute, which is assuming we could sell the property at the high end of the market.

After several discussions an offer of £25,000 was accepted as full and final settlement.

5 Liabilities

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies showed that the Company has no charges registered

The Insolvency Act 1986 requires that if a company has created a floating charge after 15 September 2003, a prescribed part of a company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors

The prescribed part provisions will therefore not apply in this instance

Preferential Creditors

The Company employed two employees, including the director. No preferential and unsecured employee claims have been received

Non-preferential Unsecured Creditors - Trade & Expense

The statement of affairs included 6 unsecured creditors with total estimated total liability of £1,500. No claims have been received in the liquidation despite reminders and invitation to claim. These creditors have failed to prove their claim and have been excluded from the forthcoming dividend

Crown Creditors

The Statement of Affairs included £17,414 in respect of VAT and £500 in respect of PAYE. HM Revenue & Customs's final claim has been received which includes £43,480 in respect of Corporation Tax and £29,771 in respect of VAT. These claims have been agreed for dividend purposes

6 Dividend Prospects

Based on information currently available it is likely that there may be a sufficient surplus from this liquidation to pay a dividend to unsecured creditors, however the likelihood and timing of any dividend will be dependent on the receipt of the VAT reclaim

Please note that a notice of intended dividend was sent to all known creditors on 10 September 2015 and creditors were advised that claims must be received on or before 8 October 2015. We have now adjudicated on claims received by 8 October 2015 and we are preparing to declare a dividend

7 Investigation

We undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved

Within six months of our appointment as Liquidators, we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of a company. We confirm that we have complied with our statutory obligations in this regard

8. Joint Liquidators' Remuneration and Disbursements

Pre- Appointment Remuneration

The fee for preparing the director's report and convening the meetings of members and creditors was £3,000 plus VAT and it was paid from first realisations on appointment as approved by creditors at the first meeting of creditors on 8 October 2012 and is shown on the enclosed receipts and payments account

Post- Appointment Remuneration

Our remuneration was previously authorised by the creditors at a meeting held on 8 October 2012 to be drawn on a time cost basis. Our total time costs to 7 October 2015 amount to £17,102 representing 137 of hours work, giving an average charge out rate of £125, of which £7,350 representing 57 of hours work was charged in the period between 8 October 2014 and 7 October 2015, giving an average charge out rate of £129 per hour across all grades of staff

To date we have drawn £16,740

A schedule of our time costs for the period covered by this report and for the duration of the Liquidation incurred to date is attached at Appendix 2

A description of the routine work undertaken since our appointment as Joint Liquidators is as follows

- 1 Administration and Planning
 - Preparing documentation required
 - Dealing with all routine correspondence
 - Maintaining physical case files and electronic case details on IPS
 - Review and storage
 - Case planning and administration
- 2 Cashiering
 - Maintaining and managing the Liquidators' cashbook and bank account
 - Ensuring statutory lodgements and tax lodgement obligations are met
- 3 Creditors
 - Dealing with creditor correspondence and telephone conversations
 - Preparing reports to creditors
 - Maintaining creditor information on IPS
 - Reviewing and adjudicating on proofs of debt received from creditors
- 4 Investigations
 - Review of books and records
 - Preparing a return pursuant to the Company Directors Disqualification Act
 - Conducting investigations into financial and banking transactions
 - Review books and records to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of creditors
- 5 Statutory Duties
 - Statutory notifications and advertising
 - Preparing the documentation and dealing with the formalities of appointment
 - Preparing reports to members and creditors
 - Convening and holding of members and creditors
 - Case bordereau

6 Realisation of Assets

- Liaising with the Company's bank regarding the closure of the account
- Instructing solicitors regarding the overdrawn director's loan account and liaising to ensure necessary settlement

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Institute of Chartered Accountants in England and Wales, is available at the link

<http://www.icaew.com/en/technical/insolvency/creditors-guides>

PCR's fee policy statement, including and charge out rate details is attached

Disbursements

To date the following disbursements have incurred (not inclusive of VAT)

Disbursements (excluding VAT)	Incurred £	Paid £	Unpaid £
Specific Bond	120 00	90 00	30 00
Companies House Search	4 00	0 00	4 00
Statutory Advertising	71 00	0 00	71 00
Meeting Room Hire	36 00	36 00	-
Total	231.00	126.00	105.00

With regard to disbursements, specific expenditure relating to the liquidation of the insolvent estate and payable to an independent third party is recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available, then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Expenditure incidental to the administration of the insolvent estate which by its nature includes an element of shared or allocated costs is recoverable with creditor approval. Payments in respect of these costs are defined as Category 2 disbursements. This office has a policy of not charging for any Category 2 disbursements. For the avoidance of doubt no Category 2 disbursements have been charged in this case.

Professional Costs

The following agents or professional advisors have been utilised in this matter

Professional Advisor	Nature of Work	Basis of Fee Arrangement	Fee Payable (£)
W Legal	Recovering outstanding director's loan account	20 % of realisation plus disbursements	5,000 plus VAT and 100 disbursements

The choice of professionals 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 the fee arrangement with them

9. Further Information

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

- An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

At PCR we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of this case, then in the first instance you should contact the Joint Liquidators at the address given in this letter.

If you consider that we have not dealt with your comments or complaint appropriately you, then put details of your concerns in writing to our complaints officer Lee Pryor at the address given in this letter. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner, or you can email insolvency.enquiryline@insolvency.gsi.gov.uk, or you may phone 0300 678 0015 - calls are charged at up to 9p per minute from a land line, or for mobiles, between 8p and 40p per minute if you're calling from the UK.

10 Summary

As detailed above it is likely that a dividend to unsecured creditors will be available. Following the processing of the dividend there are no further matters to be resolved and the case will be progressed to closure.

If creditors or members have any queries they are asked to contact Keith Hewison on 0191 211 4121.


Julie Swan
Joint Liquidator

Appendix I

Receipts and Payments Account

**Joint Liquidators' Receipts and Payments account for the period 8 October 2014 to 7 October 2015
And a cumulative account for the period from 8 October 2012 to 7 October 2015.**

**Golden Valley Chinese Food Limited
(In Liquidation)**

Joint Liquidators' Abstract Of Receipts And Payments

RECEIPTS	Statement of Affairs (£)	From 08/10/2012 To 08/10/2014 (£)	From 09/10/2014 To 07/10/2015 (£)	Total (£)
Furniture & Equipment	NIL	NIL	NIL	NIL
Stock	NIL	NIL	NIL	NIL
Other debtors	Uncertain	0 00	25,000 00	25,000 00
Cash at Bank	8,000 00	5,026 98	0 00	5,026 98
Bank Interest Gross		1 20	3 54	4 74
		5,028 18	25,003 54	30,031 72
PAYMENTS				
Legal Fees & Disbursements		0 00	5,100 00	5 100 00
Specific Bond		0 00	90 00	90 00
Statement of Affairs Fee		3,000 00	0 00	3,000 00
Liquidators Fees		1,190 00	15,550 00	16,740 00
Liquidators Expenses		0 00	36 00	36 00
Employee Claims	(1,000 00)	NIL	NIL	NIL
Trade & Expense Creditors	(1,500 00)	NIL	NIL	NIL
Employee Claims	(10,000 00)	NIL	NIL	NIL
Directors	(132 00)	NIL	NIL	NIL
HMRC - PAYE/NI	(500 00)	NIL	NIL	NIL
HMRC - VAT	(17,414 00)	NIL	NIL	NIL
Ordinary Shareholders	(100 00)	NIL	NIL	NIL
		4,190 00	20,776 00	24,966 00
Net Receipts/(Payments)		838 18	4,227 54	5,065 72
MADE UP AS FOLLOWS				
VAT Receivable		838 00	(758 00)	80 00
Bank 1 - Current		0 18	90 34	90 52
Vat Control Account		0 00	4,895 20	4,895 20
		838 18	4,227 54	5,065 72

Julie Swan
Joint Liquidator

Appendix II

Post Appointment Time and Cost Summary

**For the period 8 October 2014 to 7 October 2015 and a cumulative account
for the period from 8 October 2012 to 7 October 2015**

Time Entry - SIP9 Time & Cost Summary

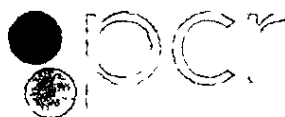
NOGOL01 - Golden Valley Chinese Food Limited
Project Code POST
From 08/10/2012 To 07/10/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning	1.80	0.00	9.80	47.32	58.92	6,392.20	108.46
Case specific matters	0.00	0.00	0.00	1.00	1.00	100.00	100.00
Cashier/Tax Returns	0.50	0.80	8.80	13.60	23.50	2,768.50	117.43
Creditors	1.50	0.00	1.50	5.10	8.10	982.50	122.53
Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Information & Communications Technology	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	2.50	0.00	1.50	9.40	13.40	1,615.00	135.45
Litigation	4.00	0.00	0.00	1.50	5.50	1,250.00	227.27
Pension Schemes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Oct 1998 Time	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of assets	1.90	0.50	0.00	1.50	4.30	865.00	205.81
Statutory Duties	2.50	1.50	2.00	16.00	22.00	2,907.50	132.16
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	14.70	3.20	23.40	86.42	128.72	17,101.70	132.08
Total Fees Claimed						16,748.00	
Total Disbursements Claimed						128.00	

Time Entry - SIP9 Time & Cost Summary

NOGOL01 - Golden Valley Chinese Food Limited
Project Code POST
From 08/10/2014 To 07/10/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.30	0.00	7.50	13.50	21.40	2,390.50	111.71
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash w/ff ax Returns	0.00	0.80	8.50	7.10	16.50	1,989.50	120.58
Creditors	1.00	0.00	1.50	0.00	2.50	465.00	186.00
Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Information & Communications Technology	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Litigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pension Schemes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Oct 1998 Time	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of assets	0.90	0.90	0.00	1.00	2.80	572.50	204.46
Statutory Duties	1.50	1.50	1.00	10.00	14.00	1,932.50	138.04
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hour	3.70	3.20	18.70	31.50	57.20	7,350.00	128.60
Total Fees Claimed						18,740.00	
Total Disbursements Claimed						128.00	



REMUNERATION POLICY

Charge Out Rates Applicable to this Assignment

The table below sets out charge out rates by grade of staff. Charge out rates are reviewed periodically and where an assignment covers more than one period the rates for each period relevant to that assignment are provided below.

	<i>01.04.2012 to 31.03.2015</i>	<i>01.04.2015 Onwards</i>
Grade of Staff	£ Per Hour	£ Per Hour
Partners / Office Holders	275	285
Director	250	265
Manager	175	200-260
Administrator	100-150	120-160
Cashier & Support	85	80-125
Average	182	205

Time is charged in 6 minute units and recorded using an electronic time recording system.

Work is undertaken by the grade of staff most appropriate to the assignment or the task being dealt with.

Office Holder's fees may generally only be recovered with creditor approval. Creditors' Guides to the calculation of Office Holder's fees, as provided by Statement of Insolvency Practice 9 (SIP9) published by R3, The Association of Business Recovery Professionals, are available at the link <http://www.icaew.com/en/technical/insolvency/creditors-guides> and paper copies are available on request.

DISBURSEMENTS POLICY

Category 1 Disbursements

Items of specific expenditure relating to the administration of the insolvent estate and payable to an independent third party (i.e. direct costs) are defined as "Category 1 disbursements". These are recoverable without creditor approval. Such items would include legal fees, agents' charges, bank charges and insurances. Such expenditure is made directly from the insolvent estate where funds are available. If funds are not available, then payment is made from this firm's office account and reimbursed from the estate when funds are available. All Category 1 disbursements are charged at the actual cost incurred, with no mark up or handling charge applied.

Category 2 Disbursements

Expenditure incidental to the administration of the insolvent estate which by its nature includes an element of shared or allocated costs is recoverable only with creditor approval. Payments in respect of these costs are defined as Category 2 disbursements. This office has a policy of not charging for any Category 2 disbursements and no other charges are made for any items bearing an element of shared or allocated cost.