

**Liquidators' Progress
Report****S.192**

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

To the Registrar of Companies

Company Number

06606684

Name of Company

Hagen Limited

I/We

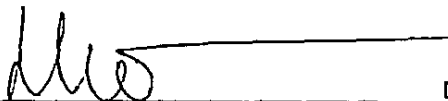
Rob Sadler, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ

Nicholas Edward Reed, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ

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 25/10/2014 to 24/10/2015

Signed



Date

23.12.15

Begbies Traynor (Central) LLP
Fourth Floor
Toronto Square
Toronto Street
Leeds
LS1 2HJ

Ref HA201CVL/RS/NER/JSA/JMB

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COMPANIES HOUSE

Harjen Limited (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: 25 October 2014 to 24 October 2015

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"	Hagen Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 25 October 2013
"the liquidators", "we", "our" and "us"	Rob Sadler of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Nicholas Edward Reed of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
"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

Company registered number	06606684
Company registered office	Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
Former trading address	155 The Headrow, Leeds, LS1 5RB

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	25 October 2013
Date of liquidators' appointment	25 October 2013

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 25 October 2014 to 24 October 2015

There have been no realisations in the liquidation to date and all statutory disbursements have been met from our firm's office account, to be reimbursed from any future realisations

As reported previously, the Company formerly operated the Wildcats bar and other adult entertainment venues in Harrogate and Leeds prior to being placed into liquidation

As creditors will recall, the Harrogate operation was sold to a third party, while the operation at Leeds was transferred to a company that is connected through common directors and ownership. It is uncertain as to what value was received for the transfer of the Leeds operation. The liquidators' investigations continue in this regard, however, as reported previously, the company to which the business was transferred has since been wound up by the Court and the likelihood of a recovery in the Company's liquidation estate is uncertain at this time

Additionally, in our previous report we made creditors aware of the Company's trade in mobile telephone airtime. It was noted that the Company acted as a conduit, through which funds passed, and that the income received by the Company would have been considerable and the liquidators' investigations continue in this regard, having received copy statements for the bank account through which this trade was carried out

The liquidators are continuing to ascertain the purpose of various monetary transactions entered into through Lloyds Bank, as discussed in our last report, and, additionally, are continuing to review a number of property transactions entered into. It appears that for one transaction in particular the Company did not receive the full consideration due and we are continuing to seek advice in respect of any claims which may be brought in this respect.

While our investigations are ongoing we are unable to provide specific details as to do so may prejudice potential realisations in the liquidation

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

The return to creditors is dependent upon the outcome of our ongoing investigations

6. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at a meeting held on 16 January 2015 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 25 October 2014 to 24 October 2015 amount to £10,019.00 which represents 44.90 hours at an average rate of £223.14 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 25 October 2014 to 24 October 2015
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 24 October 2015, we have drawn nothing on account of our remuneration, against total time costs of £77,411 00 incurred since the date of our appointment. In addition to the time costs information disclosed at Appendix 2 for the period of this report, our previous progress report contained details of the time costs we had incurred as at the date of that report.

To 24 October 2015, we have drawn no disbursements.

In addition to the table of time spent by us and our staff in attending to matters arising in the liquidation for the period covered by this progress report, a cumulative table of time spent and charge out value for the period from 25 October 2013 to 24 October 2015 and a description of the work undertaken by us and our staff since our appointment (contained in the narrative summary of time costs incurred) are also attached 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. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

8 ASSETS THAT REMAIN TO BE REALISED

The Company owned no physical assets at the date of the liquidation. Our investigations are ongoing in to transactions entered into by the Company prior to the liquidation and the potential claims which may arise under the antecedent transaction provisions of the Act.

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 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

As set out in section four of this report, our investigations into the sale of the Company's business in addition to property and monetary transactions entered into prior to the liquidation are ongoing

10. CREDITORS' RIGHTS

Right to request further information

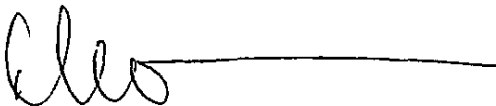
Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, 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



R Sadler
Joint Liquidator

Dated 21 December 2015

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 25 October 2014 to 24 October 2015

	From 25/10/2014 To 24/10/2015	From 25/10/2013 To 24/10/2015
ASSET REALISATIONS	Nil	Nil
COST OF REALISATIONS		
Statutory Advertising	0 00	84 60
Specific Penalty Bond	0.00	20 00
	<u>0 00</u>	<u>(104 60)</u>
	<u>0 00</u>	<u>(104.60)</u>
REPRESENTED BY		
Begbies Traynor Office Account		<u>(104 60)</u>
		<u>(104.60)</u>



Rob Sadler
Joint Liquidator

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,
- d Table of time spent and charge-out value for the period from 25 October 2014 to 24 October 2015, and
- e Cumulative table of time spent and charge-out value for the period from 25 October 2013 to 24 October 2015

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. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates 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 and 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 expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(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.

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

² *Ibid* 1

(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*

- 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

Grade of staff	Charge-out rate (£ per hour) 1 May 2011 – until further notice
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 cashing 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	Hagen Limited
CASE TYPE	CREDITORS' VOLUNTARY LIQUIDATION
OFFICE HOLDERS	Rob Sadler and Nicholas Reed
DATE OF APPOINTMENT	25 October 2013

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 assets in this liquidation and the majority of the work undertaken comprises investigative duties into potential claims arising in the liquidation
- 1.3 Exceptional responsibilities**
There have been no exceptional responsibilities save for the requirement to undertake in depth investigations into the Company's affairs
- 1.4 The office holders' effectiveness**
The office holders investigations are ongoing and potential claims against third parties are being considered
- 1.5 Nature and value of property dealt with by the office holders**
As set out in the body of the accompanying report, the Company owns no physical assets
- 1.6 Anticipated return to creditors**
At this stage it is uncertain whether there will be any distributions made to unsecured creditors as the level of realisations is dependent on successful pursuit of any claims arising under the antecedent transaction provisions of the Act
- 1.7 Time costs analysis**
An analysis of time costs incurred between 25 October 2014 and 24 October 2015 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
- 1.8 The views of the creditors**
Information has been provided by creditors to assist our ongoing investigations and we would be happy to receive any further information in relation to the Company's affairs from creditors to assist with our ongoing administration of the liquidation estate. The request for information is standard practice and does not imply any criticism or cause of action against parties concerned with the management of the Company

1 9 Approval of fees and disbursements

The basis of our remuneration and disbursements were approved at meeting of creditors held 16 January 2015

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 Appendix 2

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

3. SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT

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

- Statutory compliance matters,
- Correspondence with the Company's unsecured creditors,
- Correspondence with our professional advisors

SLP9 Harjen Limited - Creditors Voluntary Liquidation - 80HFA2014 C.V.L. Time Costs Analysis From 25/10/2014 To 24/10/2015

Self Grade	Partner	Director	Secretary	Advisor	Accounting	Sur Admin	Quin	Sur Admin	Support	Total Hours	Time Cost	Average hourly rate
General Case Administration and Planning	Case planning	1.0					2.1	1.6		4.7	334.00	181.61
	Administration			0.6			11.0	3.0	0.4	15.9	2,139.50	134.56
	Total for General Case Administration and Planning	1.0		0.6			14.0	4.6	0.4	20.6	2,504.00	145.24
	Compliance with the Insolvency Act, Rules and best practice											0.00
	Appointment											0.00
	Banking and Bonding											0.00
	Case Closure											0.00
	Statutory reporting and statement of affairs			5.3				0.5		5.8	1,659.00	231.64
Investigations	Total for Compliance with the Insolvency Act, Rules and best practice			5.3				0.5		5.8	1,689.50	231.84
	CDDA and Investigations	5.0		10.3			0.8			16.5	4,905.50	297.20
	Total for Investigations	5.0		10.3			0.8			16.5	4,905.50	297.20
	Realisation of assets											0.00
Realisation of assets	Debt collection											0.00
	Property business and assistance											0.00
	Retention of Third Party assets											0.00
	Total for Realisation of assets:											0.00
Trading	Trading											0.00
	Total for Trading											0.00
	Secured											0.00
	Others			0.3						0.3	79.50	265.00
Dealing with all creditors claims (including employees) distributions	Creditors committees											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions			0.3						0.3	79.50	265.00
	Meetings	1.0		0.7						1.7	580.50	341.47
	Other matters which includes meetings, tax, litigation, pensions and travel											0.00
	Tax											0.00
	Litigation											0.00
	Total for Other matters	1.0		0.7						1.7	580.50	341.47
	Total hours by staff grade	7.0		17.3			14.9	5.1	0.4	44.9		
	Total time cost by staff grade	2,765.00		4,637.50			2,011.50	561.08	44.00		10,079.00	
	Average hourly rate £	395.00	0.00	0.00	0.00	0.00	133.80	110.00	110.00			223.14
	Total fees drawn to date £										0.00	

SLP: Harjeen Limited - Creditors Voluntary Liquidation - 80HFA206-CVL : Time Costs Analysis From 25/10/2013 To 24/10/2015.

Staff Grade	Partner	Director	Sr Mngt	Mngt	Asst Mngt	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	11.1		3.8			2.1	1.6		18.6	6,857.00	314.87
	Administration	0.6		2.6			7.15	6.9	3.0	64.6	11,582.50	136.67
	Total for General Case Administration and Planning	11.7		6.4			73.6	8.5	3.0	103.2	17,439.50	168.74
	Compliance with the Insolvency Act Rules and best practice	0.5		4.7						5.2	1,443.00	277.50
Investigations	Appointment											
	Banking and Bonding											0.00
	Case Closure											0.00
	Statutory reporting and statement of affairs			5.3				0.5		5.8	1,458.50	231.64
Realisation of assets	Total for Compliance with the Insolvency Act, Rules and best practice	0.5		10.0				0.5		11.0	2,902.50	263.86
	CODA and Investigations	41.0		27.5	64.7	17.5		2.4	19.6	202.7	50,333.00	248.31
	Total for investigations	41.6		27.5	64.7	17.5		19.6		202.7	50,333.00	248.31
	Debt collection											0.00
Trading	Property business and asset sales			1.7						2.7	645.50	313.15
	Retention of Third Party assets											0.00
	Total for Realisation of assets	1.0		1.7						2.7	645.50	313.15
	Trading											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Total for Trading											0.00
	Secured											0.00
	Others			0.3						0.3	78.50	265.03
	Creditors committee											0.00
Other matters which includes meetings (tax, litigation, pensions and travel)	Total for Dealing with all creditors claims (including employees), correspondence and distributions			0.3						0.3	78.50	265.03
	Meetings	1.5		14.6						16.1	4,514.50	276.96
	Other			3.5						3.5	927.50	265.00
	Tax											0.00
Total for Other matters	Litigation	1.0								1.0	385.00	385.00
	Total for Other matters	2.5		18.1						20.6	5,527.00	268.63
	Total hours by staff grade	58.7		131.4	17.3		78.0	28.6	3.0	340.7	77,411.00	
	Total line cost by staff grade	22,386.50		34,421.00	1,750.00		10,250.00	3,148.00	225.00			
Total fees drawn to date £	Average hourly rate £	385.00	0.00	173.00	265.00	100.00	0.00	135.00	75.00			227.21
	Total fees drawn to date £										9.60	

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Storage	Restore Plc	45 51	0 00	45 51

CUMULATIVE 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	84 60	0 00	84 60
Storage	Restore Plc	108 84	0 00	108 84
Travel and Parking	Various	68 08	0 00	68 08
Memory Stick	Argos	5 82	0 00	5 82
Bordereau	Marsh Limited	20 00	0 00	20 00
Subsistence	Various	62 62	0 00	62 62