

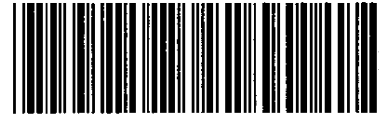
AM10

Notice of administrator's progress report



Companies House

TUESDAY



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27/03/2018

#150

COMPANIES HOUSE

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1 Company details

Company number 0 7 5 6 9 4 3 2
Company name in full Westminster Recliners Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Chris
Surname McKay

3 Administrator's address

Building name/number Townshend House
Street Crown Road
Post town Norwich
County/Region
Postcode N R 1 3 D T
Country

4 Administrator's name ①

Full forename(s) Andrew
Surname McTear

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Townshend House
Street Crown Road
Post town Norwich
County/Region
Postcode N R 1 3 D T
Country

② Other administrator
Use this section to tell us about
another administrator.

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Notice of administrator's progress report

6 Period of progress report

From date	^d 0	^d 8	^m 0	^m 9	^y 2	^y 0	^y 1	^y 7
To date	^d 0	^d 7	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date	^d 2	^d 3	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8
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Contact . Saskia Peck
Direct dial 01603 877852
Email saskiapeck@mw-w.com

Your ref
My ref west1841/514

**Townshend House
Crown Road
Norwich
NR1 3DT
Office 01603 877540
Fax 01603 877549**



To all known creditors

16 March 2018

Dear Sirs

**Westminster Recliners Limited (in administration)
In the High Court of Justice No CR-2017-001868**

Following my appointment as joint administrator of the above company on 8 March 2017 and my letter dated 27 February 2018 advising of the extension of the administration I enclose my second six monthly progress report.

1 Receipts and payments

I enclose as Appendix 1 a copy of my receipts and payments account for the period 8 September 2017 to 7 March 2018 which are shown net of VAT.

2 Overview

In my last report, it was estimated that there would be no funds available for unsecured creditors.

The estimated outcome of the administration remains in line with this.

3 Assets

3.1 Book debts

My agents have collected funds of £39,442.85 which have now been transferred to the administration account meaning total realisations achieved amount to £57,190.65.

4 Creditors' claims

4.1 Floating charge creditors

Akira Financial Limited was granted a debenture on 12 June 2015 giving them a fixed and floating charge over the assets of the company. My solicitor has confirmed its validity and a distribution will be paid to them shortly in respect of their charge.

4.2 Unsecured creditors

There are provisions of the insolvency legislation that require an administrator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property" ("prescribed part") calculated as 50% of the first £10,000 of the net property and 20% of the remaining net property up to a maximum of £600,000.

As previously advised and detailed above the Company granted a floating charge to Akira Financial Limited on 12 June 2015 and therefore I was required to set aside a prescribed part for unsecured creditors. However, since the Company's net property was less than £10,000 insolvency legislation does not require me to distribute the prescribed part of the net property to creditors if it is thought that the costs of dealing with and distributing this would exceed the prescribed part itself. Accordingly, there are insufficient funds to enable a distribution to unsecured creditors therefore no dividends will be paid.

5 Investigation into the affairs of the Company

In my last report to creditors, I advised that my investigations into possible civil claims against officers of the company were continuing. Those preliminary enquiries have subsequently been concluded and although civil claims were duly identified, risk assessments conducted on the individuals concerned indicated that they were not viable targets to bring proceedings or likely to be in a position to make any meaningful settlement proposal on a without prejudice basis, for benefit of the general body of creditors.

Consequently, I took the decision that it would not be cost effective to pursue matters further and have therefore abandoned those claims without further action against the directors.

6 Case control and strategy

Following my appointment as administrator I assign overall responsibility for the case to a case manager who is assisted by other staff as appropriate. At the commencement of the case I agree a written case strategy with the case manager. Monthly case progression meetings are held between the case manager and myself and six weekly case progression meetings are held between senior managers and the case administrators. In addition formal strategy and statutory reviews are undertaken nine months following appointment and then annually (for more complex cases these are also done three months following appointment).

7 Statutory matters

In accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 we confirm the following:

- Company name: Westminster Recliners Limited
- Trading name(s): None
- Registered office: Townshend House, Crown Road, Norwich, NR1 3DT
- Registered number: 07569432
- Administrators: Chris McKay & Andrew McTear
- Administrators address: McTear Williams & Wood Limited, Townshend House, Crown Road, Norwich, NR1 3DT
- Date of appointment: 8 March 2017
- Appointed by: Akira Financial Limited of Northgate Street, Ipswich, Suffolk, IP1 3BX
- Court and Court No: High Court of Justice No CR-2017-001868
- There has been an extension of six months to the initial period of appointment.
- Administrators' functions: The joint administrators shall be entitled to carry out all of the functions of the administration jointly and/or separately and any act required or authorised to be done by them as Joint Administrators may be done by either one of them for the time being holding office.

8 Remuneration disbursements and expenses

8.1 Pre administration costs

On 30 May 2017 the following pre-appointment costs were approved by unsecured creditors.

Figure 1: Summary of pre appointment fees and expenses

	£
Pre appointment fees and costs of making the appointment charged by the joint administrators	4,727
Pre appointment expenses incurred by the joint administrators	368
	<hr/>
	5,095
	<hr/>
<i>Source: Joint administrators' records</i>	

8.2 *Post appointment remuneration and disbursements*

In addition to my pre-appointment fees unsecured creditors approved my post appointment fees on a combination of a fixed fee of £15,000 and 25% of gross realisations. I have now finalised the realisations and therefore my fees are £14,297.50 in respect of realisations. I intend to draw my remuneration totalling £29,297.50 shortly. Creditors also resolved that category 2 disbursements in respect of photocopying, mileage and storage be charged at the approved rates.

Statement of Insolvency Practice 7 requires me to disclose sums paid to the office holder in respect of supervision of trading. As the company had ceased to trade prior to my appointment I have spent no time dealing with this activity and therefore none of my remuneration relates to this.

The relevant creditors' guide to administrators' fees in an administration which came into force in 6 April 2017 and this firm's practice fee and disbursement recovery policy can be found on our website www.mw-w.com by clicking on creditor portal and then fees and costs or a copy can be requested from this office. Disbursements are recovered at cost. Our current charge out rates are director £390, associate £345, senior manager/manager £260-£295, assistant manager/senior professional £195-£235, administrator/assistant £155-£160, assistant administrator £115 and trainee £80. Our charge out rates are reviewed annually and since 1 January 2003 have increased as detailed in our policy document.

8.3 *Administration expenses*

Details of the administration expenses incurred in the period of this report are attached as Appendix 2.

8.4 *Further information*

Within 21 days from receipt of this report creditors may request further information about the remuneration and expenses set out in the report. The request must be made in writing and made either by a secured creditor or an unsecured creditor or creditors that total at least 5% in value of unsecured creditors or the permission of the Court. Other than in specific circumstances, which if applicable we would explain, we will provide this within 14 days.

In addition within 8 weeks of receipt of the report creditors may apply to Court to challenge the amount and/or basis of the administrators' fees and the amount of any proposed expenses or expenses already incurred. The application may be made by a secured creditor, or by unsecured creditor(s) that total at least 10% in value of the creditors or with the permission of the Court.

I am required to inform you that I am bound by the Insolvency Code of Ethics and further information on this, complaints procedures and other statutory regulatory matters can also be found on our website by clicking on creditor portal and then regulatory matters.

Should creditors require any further information please do not hesitate to contact Saskia Peck at the above address.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Chris McKay', with a stylized, cursive script.

Chris McKay
Joint Administrator

The joint administrators contract without personal liability. Pursuant to paragraph 45 of Schedule B1 of the Insolvency Act 1986 the Joint Administrators Chris McKay and Andrew McTear are managing the affairs, business and property of the above company.

Enclosures

Westminster Recliners Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 08/09/2017 To 07/03/2018 £	From 08/03/2017 To 07/03/2018 £
ASSET REALISATIONS		
Book Debts	39,442.85	57,190.65
	<u>39,442.85</u>	<u>57,190.65</u>
COST OF REALISATIONS		
Pre appointment fees approved	4,727.00	4,727.00
Photocopying	57.20	57.20
Searches and court fees	27.00	27.00
Post appointment legal fees & disbs	4,000.00	4,000.00
Debt collection fees	3,940.28	3,940.28
Travel	139.72	139.72
Telephone, fax & internet	20.30	20.30
Stationery & Postage	96.38	96.38
Bordereau	320.00	320.00
Storage/archiving costs	341.40	341.40
Statutory Advertising	75.50	75.50
	<u>(13,744.78)</u>	<u>(13,744.78)</u>
	<u>25,698.07</u>	<u>43,445.87</u>
REPRESENTED BY		
Vat Receivable		788.06
Estate bank a/c - non interest bearing		41,865.82
Vat Control Account		791.99
		<u>43,445.87</u>

Westminster Recliners Limited (in administration)

Administration expenses

The major areas of expenditure incurred in the period of this report and the reasons why these were incurred were:

- Barker Gotelee Solicitors were instructed to prepare the necessary paperwork to accompany the notice of appointment filed by the floating charge holder, deal with an order to suspend a winding up petition against the company and advise on potential consumer credit issues. They have also been instructed to review the validity of the debenture. They were instructed on a time cost basis and have incurred costs of £858.50 plus VAT in the period of this report which are yet to be paid. Additionally they have further outstanding fees of £3,081 plus VAT which were incurred in the period of my previous report.
- Irwin Mitchell LLP were engaged to provide various legal advice in respect of the collectability of the consumer creditor debts and whether these were assignable. In addition they prepared the draft assignment documents for the proposed assignment of these debts to the floating charge holder. In the end no assignment took place however the work was still undertaken. They were instructed on a time cost basis and incurred costs of £4,000 plus VAT which have been paid in the period of this report. No fees remain outstanding.
- Akira Financial Limited were appointed to continue the collection of the company's book debts on my behalf following the compulsory liquidation of the previous collection agent DOW. I agreed that they would be paid a collection fee of 10% of the debtor balances collected by them and in accordance with this they have been paid £3,940.28 in the period of this report. No fees remain outstanding.

Detailed below is a statement of the expenses accrued in the administration during the period covered by this report.

The total expenses incurred in this matter have exceeded the total expenses estimated in my fee proposal due to the unforeseen debt collection costs incurred.

Statement of expenses incurred and not paid for in the period 8 September 2017 to 7 March 2018

Nature of expense	Details	Amount of accrued expense £
Professional fees		
Barker Gotelee Solicitors	Legal fees	859
		<hr/>
		859
		<hr/>
Sundry expenses		
Stationary and postage		59
		<hr/>
		59
		<hr/>
Category 2 disbursements		
Photocopying		10
Storage and archiving		130
		<hr/>
		140
		<hr/>
		1,058
		<hr/> <hr/>

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also consider their fees represented value for money and am satisfied that they are reasonable in the circumstances of this case.

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Notice of administrator's progress report



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 **Saskia Peck**

Company name **McTear Williams & Wood Limited**

Address **Townshend House**

Crown Road

Post town **Norwich**

County/Region

Postcode **N R 1 3 D T**

Country

DX

Telephone **01603 877540**



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