

# 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

07973310

Name of Company

NL Realisations (2013) Limited formerly Nelsons Labels Limited

☒ We

Paul Stanley, C/O Begbies Traynor, 340 Deansgate, Manchester, M3 4LY

Gary N Lee, C/O Begbies Traynor, 340 Deansgate, Manchester, M3 4LY

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 22/10/2015 to 21/10/2016

Signed



Date

24/11/16

Begbies Traynor (Central) LLP  
340 Deansgate  
Manchester  
M3 4LY

Ref NE111CVL/PS/GNL/ALL/AJC/MXW

FRIDAY



A16  
02/12/2016  
COMPANIES HOUSE  
#423



---

## **NL Realisations (2013) Limited, formerly Nelsons Labels Limited (In Creditors' Voluntary Liquidation)**

---

Progress report

Period: 22 October 2015 to 21 October 2016

### **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

---

## **Contents**

- ❑ Interpretation
- ❑ Company information
- ❑ Details of appointment of liquidators
- ❑ Progress during the period
- ❑ Estimated outcome for creditors
- ❑ Remuneration and disbursements
- ❑ Liquidators' expenses
- ❑ Assets that remain to be realised and work that remains to be done
- ❑ Other relevant information
- ❑ Creditors' rights
- ❑ Conclusion
- ❑ Appendices
  - 1 Liquidators' account of receipts and payments
  - 2 Liquidators' time costs and disbursements
  - 3 Statement of Liquidators' expenses

## 1. INTERPRETATION

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	NL Realisations (2013) Limited formerly Nelsons Labels Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The Company moving into creditors' voluntary liquidation from administration pursuant to Paragraph 83 of Schedule B1 to the Act
"the liquidators", "we", "our" and "us"	Paul Stanley and Gary N Lee of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"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"	<ul style="list-style-type: none"><li>(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and</li><li>(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)</li></ul>
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

## 2. COMPANY INFORMATION

Trading name(s)	<b>Nelsons Labels Limited</b>
Company registered number	07973310
Company registered office	340 Deansgate, Manchester, M3 4LY
Former trading address	Unit 3 Wharfside, Trafford Park, Manchester

## 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	22 October 2014
Date of liquidators' appointment	22 October 2014
Changes in liquidator (if any)	None



## 4. PROGRESS DURING THE PERIOD

### **Receipts and Payments**

Attached at Appendix 1 is our abstract of receipts and payments for the period from 22 October 2015 to 21 October 2016

#### **Receipts**

##### **Bank Interest**

£41 has been earned in bank interest during the period

#### **Payments**

##### **Corporation Tax**

During the period £11 40 has been paid in relation to Corporation Tax

##### **Liquidators Fees**

Further details in relation to the fees drawn by the Joint Liquidators during the period may be found in section 6 of this report

### **What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?**

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2

#### **General case administration and planning**

Insolvency Practitioners are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case.

Time charged to "General Case Administration and Planning" in the period covered by this report will include work of this nature, together with sundry tasks such as filing and photocopying.

#### **Compliance with the Insolvency Act, Rules and best practice**

The Joint Liquidators and their staff have prepared all statutory documents required by the Act, including their progress report that this summary relates to. They have also undertaken periodic reviews of case progression, and ensured that the bonding levels are correct.

Time charged to "Compliance with the Insolvency Act, Rules and Best Practice" in the period covered by this report includes the undertaking of these tasks, along with the preparation of the Annual Progress Report to 21 October 2015.

### Investigations

A small amount of time has been spent in relation to the report submitted by the Joint Liquidators on the conduct of the directors of the company

### Dealing with all creditors' claims (including employees), correspondence and distributions

The Joint Liquidators and their staff have spent a small amount of time dealing with creditors claims. Time charged to this area includes correspondence with creditors, advertising for final claims, logging claims and reviewing any claims received.

### Other matters which includes meetings, tax, litigation, pensions and travel

The Joint Liquidators have submitted the relevant returns in respect of the Company's VAT during the period of this report, and have also reviewed the Company's Corporation Tax position to establish whether any funds are due to be paid to HM Revenue & Customs.

## 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 in the statement of proposals of the former administrators.

On the basis of realisations to date we estimate an outcome for each class of the Company's creditors as follows:

### **Secured creditors**

As detailed in the previous report the secured creditor was paid in full during the administration.

### **Preferential creditors**

As detailed in the previous report the preferential creditors received a dividend of 100p in the £ in June 2015.

### **Prescribed Part for unsecured creditors pursuant to Section 176A of the Act**

Details of how the prescribed part for unsecured creditors is calculated were provided in our progress report for the period 22 October 2014 to 21 October 2015.

We have estimated to the best of our knowledge and belief, the company's net property, as detailed in Section 176A(6) of the Act, to be £70,677.60 and the Prescribed Part of the Company's net property to be £17,135.54.

### **Unsecured creditors**

As creditors will be aware, the Joint Liquidators have issued final notice for claims. We will be declaring a dividend to the unsecured creditors within two months of the final date of claims, which was 21 October 2016.

## 6. REMUNERATION & DISBURSEMENTS

Our remuneration is treated as having been fixed on the same basis as the former administrators, namely 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 winding up.

Pursuant to Statement of Insolvency Practice 9, we are also authorised to draw disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9)

Our time costs for the period from 22 October 2015 to 21 October 2016 amount to £8,287 50 which represents 40 4 hours at an average rate of £205 14 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Time Costs Analysis for the period 22 October 2015 to 21 October 2016
- ☐ Begbies Traynor (Central) LLP's charging policy

To 21 October 2016, we have drawn the total sum of £8,000 on account of our remuneration, against total time costs of £28,641 50 incurred since the date of our appointment as liquidators

### **Time Costs Analysis**

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

The costs that were incurred from the date of our appointment to 22 October 2015 amount to £20,354 00. Details of the costs incurred during the period of this report are stated above.

### **Disbursements**

To 21 October 2016, we are yet to draw any disbursements.

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](http://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 AND WORK THAT REMAINS TO BE DONE**

There are no assets that remain to be realised. Steps will be taken to finalise the liquidation in due course.



## 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, 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 Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

## 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 incurred during the period of 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 during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

## 11. CONCLUSION

As outlined above, steps will be taken to bring the liquidation to a close shortly.



**Paul Stanley**  
Joint Liquidator

Dated 30 November 2016

## APPENDIX 1

## ACCOUNT OF RECEIPTS AND PAYMENTS

Period. 22 October 2015 to 21 October 2016

Statement of Affairs £		From 22/10/2015 To 21/10/2016 £	From 22/10/2014 To 21/10/2016 £
	<b>SECURED ASSETS</b>		
168,000 00	Book Debts	NIL	NIL
		NIL	NIL
	<b>SECURED CREDITORS</b>		
(203,000 00)	Chargeholder (1)	NIL	NIL
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
150 000 00	Plant & Machinery	NIL	NIL
10,000 00	Stock	NIL	NIL
	Book Debts	NIL	189 82
7,379 00	Refunds	NIL	NIL
242 00	Cash In Hand	NIL	NIL
1,692 00	Cash at Bank	NIL	11,571 47
	From Admin - Set aside for Pres Part	NIL	17,135 54
	Surplus from Administration	NIL	31,622 76
133 00	Bank Interest Gross	41 00	99 81
		41 00	60,619 40
	<b>COST OF REALISATIONS</b>		
	Liquidators' Fees	8,000 00	8,000 00
	Debt Collection Fees	NIL	37 96
	Corporation Tax	11 40	11 40
	Statutory Advertising	NIL	169 20
		(8,011 40)	(8,218 56)
	<b>PREFERENTIAL CREDITORS</b>		
(23,475 00)	RPO	NIL	NIL
	RPO re Arrears/Holiday Pay	NIL	21,166 78
	Employees re Arrears/Hol Pay	NIL	2,308 41
		NIL	(23,475 19)
	<b>UNSECURED CREDITORS</b>		
(500,000 00)	Trade Creditors	NIL	NIL
		NIL	NIL
<b>(389,029 00)</b>		<b>(7,970 40)</b>	<b>28,925 65</b>

## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's charging policy,
- b Time Costs Analysis for the period from 22 October 2015 to 21 October 2016
- c Cumulative Time Costs Analysis for the period from 22 October 2014 to 21 October 2016

## **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 guidance<sup>1</sup> 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 guidance<sup>2</sup> 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,
- *Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

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

<sup>2</sup> 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 Manchester office as at the date of this report are as follows

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour) 1 May 2011 — until further notice</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee	110
Administrator	
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SIP9 Nelsons Labels Limited - Creditors Voluntary Liquidation - 10NE11.CVL : Time Costs Analysis From 22/10/2015 To 21/10/2016

Staff Grade	Consultant/Partner	Director	Sr Mgr	Mngr	Asst Mngr	Sr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	0.7		1.8				0.3	2.0		4.5	1,054.50	234.33
Administration						0.6			2.5	3.4	295.50	86.91
Total for General Case Administration and Planning	0.7		1.8			0.6	0.3	2.0		4.5	1,054.50	234.33
Compliance with the Insolvency Act Rules and best practice												
Appointment												0.00
Banking and Bonding			3.7			1.0	1.3		2.6	8.6	1,783.50	207.38
Case Closure												0.00
Statutory reporting and statement of affairs	1.0		1.5			5.3				7.8	1,787.50	229.17
Total for Compliance with the Insolvency Act Rules and best practice	1.0		5.2			6.3	1.3		2.6	16.4	3,571.00	217.74
CDAA and investigations			2.0							2.0	620.00	310.00
Total for Investigations			2.0							2.0	620.00	310.00
Realisation of assets												0.00
Debt collection												0.00
Property business and asset sales												0.00
Retention of Third/Third party assets												0.00
Total for Realisation of assets												0.00
Trading												0.00
Total for Trading												0.00
Dealing with all creditors claims (including employees), correspondence and distributions												0.00
Secured												0.00
Others			0.7				0.6	0.5		5.4	1,091.00	202.04
Creditors committee												0.00
Total for Dealing with all creditors claims (including employees), correspondence and distributions			0.7				0.6	0.5		5.4	1,091.00	202.04
Other matters which includes meetings tax litigation pensions and travel												0.00
Meetings												0.00
Other												0.00
Tax			2.2			2.4	4.1			8.7	1,655.50	190.29
Litigation												0.00
Total for Other matters			2.2			2.4	4.1			8.7	1,655.50	190.29
Total hours by staff grade	1.7		11.9			3.6	6.3	2.5	5.1	40.4		
Total time cost by staff grade	671.50		3,689.00			738.00	850.50	275.00	436.00	8,287.50		
Average hourly rate £	395.00	0.00	310.00	0.00	203.00	175.00	135.00	110.00	85.49			205.14
Total fees drawn to date £										8,000.00		

# SIP9 Nelsons Labels Limited - Creditors Voluntary Liquidation - 10NE11.CVL : Time Costs Analysis From 22/10/2014 To 21/10/2016

Staff Grade	Consultant/Partner	Director	Sr Mgr	Mngr	Asst Mgr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case Planning	2.2					1.3		2.0	15.4	4,395.50	284.77
	Administration						1.4			19.9	2,555.00	128.39
	Total for General Case Administration and Planning	2.2					2.7		2.5	35.3	6,950.50	196.58
	Appointment	1.0					3.8			6.6	1,618.00	245.15
Compliance with the Insolvency Act Rules and best practice	Banking and Bonding						3.4		8.4	22.0	4,453.50	202.43
	Case Closure											0.00
	Statutory reporting and statement of affairs	1.0					5.3			7.8	1,787.50	228.17
	Total for Compliance with the Insolvency Act Rules and best practice	2.0					8.7			15.6	7,098.00	451.91
Investigations	ODDA and investigations	0.7					0.6			4.0	1,218.50	304.63
	Total for Investigations	0.7					0.6			4.0	1,218.50	304.63
	Debt collection						7.6			16.5	3,091.50	187.36
	Property business and asset sales	1.5					6.3			7.8	1,695.00	217.31
Realisation of assets	Retention of Title/Third party assets											0.00
	Total for Realisation of assets	1.5					13.9			24.3	4,716.50	198.28
	Trading											0.00
	Total for Trading											0.00
Dealing with all creditors claims (including employees) correspondence and distributions	Secured											0.00
	Others	1.5					0.9		0.5	25.0	4,740.50	189.62
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions	1.5					0.9		0.5	25.0	4,740.50	189.62
Other matters which includes meetings tax litigation pensions and travel	Meetings											0.00
	Other											0.00
	Tax						3.4			14.6	3,096.50	209.22
	Litigation											0.00
	Total for Other matters	7.9					3.4			14.6	3,096.50	209.22
	Total hours by staff grade									139.8		
	Total time cost by staff grade											
	Average hourly rate £											
	Total fees drawn to date £											

## STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Corporation Tax	HM Revenue & Customs	£11 40	£11 40	NIL

## CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Corporation Tax	HM Revenue & Customs	£11 40
Statutory Advertising	Courts Advertising	£169 20
Debt Collection Fees	Credebt	£37 96



