

The Insolvency Act 1986**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A and 104A
of the Insolvency Act 1986**

For Official Use

To the Registrar of Companies

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Company Number

02554176

Name of Company

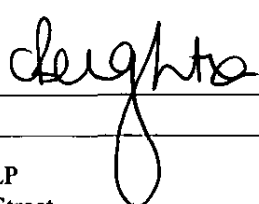
Flair Builders Limited

I / We
Conrad Beighton
10 Orange Street
Haymarket
London
WC2H 7DQ

R D Smailes
10 Orange Street
Haymarket
London
WC2H 7DQ

the liquidator(s) of the company attach a copy of my/our progress report
under section 192 of the Insolvency Act 1986

Signed



Date

2/3/12

Shipleys LLP
10 Orange Street
Haymarket
London
WC2H 7DQ

Ref 51363/CAB/RDS/JWI/PML

Insol

TUESDAY



A09 *A145TEJL*
06/03/2012 #101
COMPANIES HOUSE

Flair Builders Limited
(In Liquidation)
'Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 09/02/2011 To 08/02/2012
	SECURED CREDITORS	
(5,253 26)	Allied Irish Bank	NIL
		NIL
	ASSET REALISATIONS	
12,972 54	Book Debts	3,334 03
21,713 97	Transfer from Administration	21,713 97
	Bank Interest Gross	41 46
		25,089 46
	COST OF REALISATIONS	
	Pension Costs	399 00
	Bank Charges	25 00
		(424 00)
	PREFERENTIAL CREDITORS	
	DE Arrears & Holiday Pay	6,368 80
		(6,368 80)
	UNSECURED CREDITORS	
	Trade & Expense Creditors	11,076 95
		(11,076 95)
29,433.25		7,219.71
	REPRESENTED BY	
	VAT Receivable	132 29
	Bank 1 Current	7,087 42
		7,219.71

FLAIR BUILDERS LIMITED - IN LIQUIDATION

Company Number: 02554176

JOINT LIQUIDATORS REPORT TO CREDITORS PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986

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FLAIR BUILDERS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

Registered No 02554176

Registered office situated at Shipleys LLP, 10 Orange Street, London, WC2H 7DQ

1 Introduction

1.1 I refer to the appointment of R D Smailes and myself as Joint Liquidators of Flair Builders Limited ("the Company") on 9 February 2011. I can confirm that pursuant to Section 231 of the Insolvency Act 1986 the Joint Liquidators functions in relation to the Company have been carried out jointly and severally.

1.2 This is a progress report to the creditors and members of the Company pursuant to Rule 4.49C of the Insolvency (Amendment) Rules 1986 for the twelve month period ended 8 February 2012.

2 Asset Realisations

2.1 Book Debts

Book debts totalling £3,334.03 have been realised in the liquidation to date. I am pursuing two further debtors, totalling £9,638.51 and anticipate that these sums may be realised within the next two months.

2.2 Transfer from the Administration

The sum of £21,713.97 was transferred from the Administration bank account.

3 Creditor Claims

3.1 Secured Creditor

The sum of £40,253.26 is due to Allied Irish Bank Plc, the secured creditor. They have received payment totalling £35,000.00 and no further payments are expected to the secured creditor.

3.2 Preferential Creditors

Preferential creditors totalled £6,368.80 and they have received payment in full.

3.3 Unsecured Creditors

The Statement of Affairs estimated unsecured claims to total £307,813.49. I received claims totalling £291,842.68 from unsecured creditors. A prescribed part distribution of 3.88 pence in the £ was made to all proving creditors on 2 February 2012.

4 Investigation into Directors Conduct

4.1 I can advise creditors that a report on the conduct of the director has been forwarded to the Department of Business, Innovation and Skills, the contents of which are confidential.

5. Liquidators Remuneration

- 5.1 Kindly note that I am obliged to fix my remuneration in accordance with Rule 4.127 of the Insolvency Rules 1986. This rule permits remuneration to be fixed either as a percentage of the value of the property with which I have to deal or alternatively by reference to the time myself and my staff has spent attending to matters in this Liquidation.
- 5.2 I have received approval for my remuneration to be drawn on a time cost basis from creditors at a meeting held on 17 November 2011.
- 5.3 I have attached a schedule that summarises the time that has been spent in conducting this Liquidation up to 8 February 2012. Our time costs to this date total £10,281.31, which represents a total of 60 hours and 31 minutes, at an average charge out rate of £169.88 per hour. I am yet to draw fees on account of my time costs.
- 5.5 I advise that the following expenses have been incurred by my firm and have been approved by creditors at a meeting held on 17 November 2011 -

Expenses	£
Advertising	152.10
Photocopying	42.75
Postage & Couriers	45.57
Storage	15.00
Total	<u>270.42</u>

- 5.6 In accordance with Insolvency Rule 4.49E should any creditor wish to receive further information regarding my remuneration please contact me in writing at Shipleys LLP, 10 Orange Street, Haymarket, London, WC2H 7DQ.

6. Conclusion

- 6.1 The only matter that remains outstanding is the collection of the two remaining book debts. I anticipate this matter will be dealt with within two months, following which I will be in a position to bring the liquidation to a conclusion.

Should you have any queries in relation to this matter, please contact Philip Lawrence of this office.

Dated. 2 March 2012


C A Beighton
Joint Liquidator

Flair Builders Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

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		7,219.71

Case - Flair builders Limited

Liquidators' time costs for the period 9 February 2011 to 8 February 2012

	Partner		Manager		Assistant Manager		Administrator		Assistant		Total	
	Time	Cost	Time	Cost	Time	Cost	Time	Cost	Time	Cost	Time	Cost
Administration and Planning												
Case Planning	7 40	£2,442 00	0 10	£24 00		£0 00	18 06	£2,009 60	0 00	£0 00	25 56	4,475 60
Administrative Set Up	0 00	£0 00	0 00	£0 00		£0 00	0 00	£0 00	0 00	£0 00	0 00	0 00
Appointment notification	0 00	£0 00	0 00	£0 00		£0 00	0 00	£0 00	0 00	£0 00	0 00	0 00
Maintenance of Records	0 00	£0 00	0 20	£48 00		£163 25	0 00	£0 00	9 24	£894 86	10 34	1,106 11
Statutory Reporting	0 00	£0 00	1 20	£295 00		£0 00	1 50	£172 50	0 00	£0 00	2 70	467 50
Realisation of Assets												
Identifying, Securing, Insuring	0 00	£0 00	0 00	£0 00		£0 00	2 82	£296 10	0 00	£0 00	2 82	296 10
Retention of Title	0 00	£0 00	0 00	£0 00		£0 00	0 00	£0 00	0 00	£0 00	0 00	0 00
Debt Collection	4 90	£1,817 00	0 00	£0 00		£0 00	3 25	£381 25	0 00	£0 00	8 15	1,998 25
Sales-property, business & assets	0 30	£99 00	0 00	£0 00		£0 00	0 00	£0 00	0 00	£0 00	0 30	99 00
Creditors												
Creditors - Communication with	0 00	£0 00	0 30	£72 00		£0 00	0 20	£21 00	0 00	£0 00	0 50	93 00
Creditors Claims	1 40	£462 00	0 00	£0 00		£0 00	2 85	£574 25	0 00	£0 00	4 25	1,036 25
Investigations												
SIP2 Review	0 00	£0 00	0 00	£0 00		£0 00	4 50	£472 50	0 00	£0 00	4 50	£472 50
CDDA Reporting	0 40	£132 00	0 00	£0 00		£0 00	1 00	£105 00	0 00	£0 00	1 40	£237 00
Antecedent Transactions	0 00	£0 00	0 00	£0 00		£0 00	0 00	£0 00	0 00	£0 00	0 00	£0 00
Average hourly charge out rate	14 40	£4,752 00	1 80	£439 00	0 90	£163 25	34 18	£4,032 20	9 24	£894 86	£96 85	
	£330 00		£243 89		£181 39		£117 97					

Total Hours 60 52
 Total Cost £10,281.31
 Average £ 169.88

**STATEMENT OF INSOLVENCY PRACTICE 9
(ENGLAND AND WALES)**

PAYMENTS TO INSOLVENCY OFFICE HOLDERS AND THEIR ASSOCIATES

INTRODUCTION

- 1 The particular nature of an insolvency office holder's position renders transparency and fairness in all dealings of primary importance. Creditors and other interested parties¹ with a financial interest in the level of payments from an insolvent estate should be confident that the rules relating to charging have been properly complied with.

PRINCIPLES

- 2 Payments to an office holder or his or her associates should be appropriate, reasonable and commensurate reflections of the work necessarily and properly undertaken.
- 3 Those responsible for approving the basis or bases upon which payments to an office holder are to be calculated should be provided with sufficient information to make an informed judgement about the reasonableness of the office holder's requests.
- 4 Requests for additional information about payments to an office holder or his or her associates should be viewed upon their individual merits and treated by an office holder in a fair and reasonable way. The provision of additional information should be proportionate to the circumstances of the case.

KEY COMPLIANCE STANDARDS

PROVISIONS OF GENERAL APPLICATION

- 5 The information provided and the way in which the approval of payments to insolvency office holders and their associates for remuneration is sought should enable creditors and other interested parties to exercise properly their rights under the insolvency legislation.
- 6 An office holder should disclose
 - a) payments, remuneration and expenses arising from an insolvency appointment to the office holder or his or her associates,
 - b) any business or personal relationships with parties responsible for approving his or her remuneration or who provide services to the office holder in respect of the insolvency appointment where the relationship could give rise to a conflict of interest.
- 7 An office holder should inform creditors and other interested parties of their rights under insolvency legislation. Information on how to find a suitable explanatory note setting out the rights of creditors should be given in the first communication with creditors following appointment and in each subsequent report to creditors.

SUGGESTED FORMAT

- 8 A suggested format for the provision of information is in the Appendix, including the suggested levels at which the provision of further information may be appropriate.

¹ "other interested parties" means those parties with rights pursuant to the prevailing insolvency legislation to information about the office holder's receipts and payments. This may include creditors, committee, the members (shareholders) of a company or in personal insolvency, the debtor.

PROVISION OF INFORMATION WHEN FIXING THE BASES OF REMUNERATION

- 9 When seeking approval for the basis or bases of remuneration, an office holder should provide sufficient supporting information to enable the approving body, having regard to all the circumstances of the case, to make an informed judgement as to whether the basis or bases sought is/are appropriate. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought.
- 10 If any part of the remuneration is sought on a time costs basis, an office holder should provide details of the minimum time units used and current charge-out rates, split by grades of staff, of those people who have been or who are likely to be involved in the time costs aspects of the case.
- 11 An office holder should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the office holder or his or her staff.
- 12 If work has already been carried out, an office holder should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved, sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case. Where the proposed charge is calculated on a time costs basis, the office holder should disclose the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. An office holder should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the office holder or his or her staff.

PROVISION OF INFORMATION AFTER THE BASES OF REMUNERATION HAVE BEEN FIXED

- 13 The requirements in this section are in addition to reporting requirements under insolvency legislation.
- 14 When reporting periodically to creditors, an office holder should provide an explanation of what has been achieved in the period under review and how it was achieved, sufficient to enable the progress of the case to be assessed. Creditors should be able to understand whether the remuneration charged is reasonable in the circumstances of the case (whilst recognising that the office holder must fulfil certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate).
- 15 Where any remuneration is on a time costs basis, an office holder should disclose the charge in respect of the period, the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity.
- 16 If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable.
- 17 An office holder should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the office holder or his or her staff.

DISBURSEMENTS

- 18 Costs met by and reimbursed to an office holder in connection with an insolvency appointment should be appropriate and reasonable. Such costs will fall into two categories:
 - a) Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff.
 - b) Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.
- 19 Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

STATEMENT OF INSOLVENCY PRACTICE 9 (E&W)



- 20 Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expense, the basis on which the charge is being made.
- 21 The following are not permissible
- a) a charge calculated as a percentage of remuneration,
 - b) an administration fee or charge additional to an office holder's remuneration,
 - c) recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges
- 22 If an office holder has obtained approval for the basis of category 2 disbursements, that basis may continue to be used in a sequential appointment where further approval of the basis of remuneration is not required, or where the office holder is replaced.

PRE-APPOINTMENT COSTS

- 23 When approval is sought for the payment of outstanding costs incurred prior to an office holder's appointment, disclosure should follow the principles and standards contained in this statement.

PAYMENTS TO ASSOCIATES

- 24 Where services are provided from within the practice or by a party with whom the practice, or an individual within the practice, has a business or personal relationship, an office holder should take particular care to ensure that the best value and service is being provided. An office holder should also have regard to relationships where the practice is held out to be part of a national or international association.
- 25 Payments that could reasonably be perceived as presenting a threat to the office holder's objectivity by virtue of a professional or personal relationship should not be made unless approved in the same manner as an office holder's remuneration or category 2 disbursements.

PROVISION OF INFORMATION TO SUCCESSIVE OFFICE HOLDERS

- 26 When an office holder's appointment is followed by the appointment of another insolvency practitioner, whether or not in the same proceedings, the prior office holder should provide the successor with information in accordance with the principles and standards contained in this statement.

PROVISION OF INFORMATION TO INTERESTED PARTIES

- 27 Where realisations are sufficient for payment of creditors in full with interest, the creditors will not have the principal financial interest in the level of remuneration. An office holder should provide the beneficiaries of the anticipated surplus, on request, with information in accordance with the principles and standards contained in this statement.

Effective Date: This SIP applies to insolvency appointments starting on or after **1 November 2011**. However, insolvency practitioners are encouraged to apply the SIP to all cases regardless of the starting date where to do so would not be onerous or give rise to excessive costs.

APPENDIX**SUGGESTED FORMAT FOR PROVISION OF INFORMATION****INTRODUCTION**

- 1 Information provided by an office holder should be presented in a manner that is transparent, consistent and useful to the recipient, whilst being proportionate to the circumstances of the case. The level of disclosure suggested below may not be appropriate in all instances and the office holder may take account of proportionality considerations. In larger or more complex cases the circumstances of each case may dictate the information provided and its format.
- 2 It is a matter for each office holder to decide what detailed information and explanations are required, having regard to the circumstances of the case. However, the importance of consistency and clarity should be recognised, and this Appendix sets out suggestions in relation to the presentation of information in a standard way. Those receiving the information ought to be able to make an informed judgement about the reasonableness of the office holder's request. The information provided should facilitate comparisons between cases.

A NARRATIVE OVERVIEW OF THE CASE

- 3 In all cases, reports on remuneration should provide a narrative overview of the case. Matters relevant to an overview are:
 - a) the complexity of the case,
 - b) any exceptional responsibility falling on the office-holder,
 - c) the office-holder's effectiveness,
 - d) the value and nature of the property in question.
- 4 The information provided will depend upon the basis or bases being sought or reported upon, and the stage at which it is being provided. An overview might include:
 - a) an explanation of the nature, and the office-holder's own initial assessment, of the assignment (including the anticipated return to creditors) and the outcome (if known),
 - b) initial views on how the assignment was to be handled, including decisions on staffing or subcontracting and the appointment of advisers,
 - c) any significant aspects of the case, particularly those that affect the remuneration and cost expended,
 - d) the reasons for subsequent changes in strategy,
 - e) the steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, and fee drawing,
 - f) any existing agreement about remuneration,
 - g) details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees,
 - h) in a larger case, particularly if it involved trading, considerations about staffing and managing the assignment and how strategy was set and reviewed,
 - i) details of work undertaken during the period,
 - j) any additional value brought to the estate during the period, for which the office holder wishes to claim increased remuneration.

TIME COST BASIS

- 5 Where any part of the remuneration is or is proposed to be calculated on a time costs basis, requests for and reports on remuneration should provide:
 - a) An explanation of the office-holder's time charging policy, clearly stating the units of time that have been used, the grades of staff and rates that have been charged to the assignment, and the policy for recovering the cost of support staff. There is an expectation that time will be recorded in units of not greater than 6 minutes.

STATEMENT OF INSOLVENCY PRACTICE 9 (E&W)



- b) A description of work carried out, which might include
- details of work undertaken during the period, related to the table of time spent for the period,
 - an explanation of the grades of staff used to undertake the different tasks carried out and the reasons why it was appropriate for those grades to be used,
 - any comments on any figures in the summary of time spent accompanying the request the office-holder wishes to make
- c) Time spent and charge-out summaries, in an appropriate format

- 6 It is useful to provide time spent and charge-out value information in a tabular form for each of the time periods reported upon, with work classified (and sub-divided) in a way relevant to the circumstances of the case, in particular to facilitate comparisons between cases

Hours							
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost £	Average hourly rate £
Administration and planning							
Investigations							
Realisation of assets							
Trading							
Creditors							
Case specific matters (Specify the matters)							
Total hours							
Total fees claimed (£)							

- 7 The level of disclosure suggested by the standard format will not be appropriate in all instances and the office holder should take account of proportionality considerations
- a) where the cumulative time costs are, and are expected to be, less than £10,000 the office holder should, as a minimum, state the number of hours and average rate per hour and explain any unusual features of the case,
- b) where cumulative time costs are, or are expected to be, between £10,000 and £50,000, a time and charge-out summary similar to that shown above will usually provide the appropriate level of detail (subject to the explanation of any unusual features),
- c) where cumulative time costs exceed, or are expected to exceed, £50,000, further and more detailed analysis or explanation will be warranted

Shipleys LLP
10 Orange Street, Haymarket, London WC2H 7DQ

CREDITORS GUIDE TO FEES
EFFECTIVE FROM 1 FEBRUARY 2012
CHARGE-OUT RATES

Grade	Charge-out rate (£ per hour) plus VAT where applicable
Principal*	460
Manager	300 - 325
Senior Administrator	210 - 230
Administrator	125 - 170
Assistant & Cashier	100 - 250

* or equivalent

NB Time costs are calculated at 6 minute units

Agents Costs:-

These are charged at cost based upon the charge(s) made by the Agent instructed. The Term "Agent" includes

- Solicitors/legal fees
- Auctioneers/valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist advisors

Storage Costs:-

Charge at actual cost incurred for storage (and retrieval, when appropriate) of records

Other Disbursements:-

Category	Basis of Charge
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Company searches	At cost incurred
Travel	Motor vehicle at 40p per mile All other forms at actual cost
Room Hire	Held at Shipleys LLP, 10 Orange Street, Haymarket, London WC2H 7DQ £50 Any other venue at actual cost
Stationery	At cost incurred
Photocopying	Specific calculation of 25 pence per sheet x number of creditors
Facsimiles	£1 for 1 st page and 10 pence for each additional page
Other	At actual cost charged