

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

08374397

Name of Company

Passing Clouds Trading Ltd

I / We

Stephen Penn, 1st Floor, Block A, Loversall Court, Clayfields, Tickhill Road, Doncaster, South Yorkshire, DN4 8QG

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 03/02/2016 to 02/02/2017

Signed

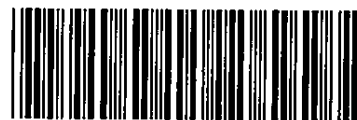


Date

16/2/17

Absolute Recovery Limited
1st Floor, Block A
Loversall Court
Clayfields
Tickhill Road
Doncaster
DN4 8QG
Ref PAS0277/SP/DJ

SATURDAY



A21

A60JUF0Z

18/02/2017

#387

COMPANIES HOUSE

Liquidator's Annual Progress Report to Creditors & Members

**Passing Clouds Trading Ltd
- In Liquidation**

2 February 2017

PASSING CLOUDS TRADING LTD - IN LIQUIDATION

CONTENTS

- 1** Introduction and Statutory Information
- 2** Progress of the Liquidation
- 3** Creditors
- 4** Liquidator's Remuneration
- 5** Creditors' Rights
- 6** Next Report

APPENDICES

- A** Receipts and Payments Account for the Period from 3 February 2016 to 2 February 2017
Cumulative Receipts and Payments Account for the Period since the Liquidator's Appointment
- B** Time Analysis for the Period from the 3 February 2016 to 2 February 2017
- C** Cumulative Time Analysis for the Period since the Liquidator's Appointment
- D** Additional information in relation to Liquidator's Fees, Expenses & Disbursements

PASSING CLOUDS TRADING LTD - IN LIQUIDATION

1 Introduction and Statutory Information

- 1 1 I, Stephen Penn of Absolute Recovery Limited, 1st Floor, Block A, Loversall Court, Clayfields, Tickhill Road, Doncaster, DN4 8QG, was appointed as Liquidator of Passing Clouds Trading Ltd (the Company) on 3 February 2015. This progress report covers the period from 3 February 2016 to 2 February 2017 (the Period) and should be read in conjunction with any previous progress reports which have been issued.
- 1 2 The principal trading address of the Company was 440 Kingsland Road, London, E8 4AA.
- 1 3 The registered office of the Company has been changed to First Floor, Block A, Loversall Court, Clayfields, Tickhill Road, Doncaster, DN4 8QG and its registered number is 08374397.

2 Progress of the Liquidation

- 2 1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 2 2 At Appendix A is my Receipts and Payments Account for the period of this report. Attached at Appendix B is a cumulative Receipts and Payments Account for the period from the date of my appointment as Liquidator to 2 February 2017.
- 2 3 Following on from my last annual report the director has not responded to any letters that have been issued regarding the transactions I queried. Several letters have been issued to the director regarding this matter.
- 2 4 I have sought advice from my solicitors and I am in the process of collating all the information together that they will require to enable them to act on my behalf. I expect to instruct the solicitors in the coming weeks.

Administration

- 2 5 A liquidator must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. This work includes dealing with the Company's creditors and employees together with administrative tasks associated with the appointment, such as agreeing the strategy for the liquidation, filing notices of appointment, statutory advertising, opening and maintaining the estate cash book and bank accounts and reporting periodically to creditors, HMRC and the Registrar of Companies.
- 2 6 The costs incurred during the period in the main relate to the preparation and distribution of my last progress report, issuing letters to the director, reconciliation of bank accounts.
- 2 7 Creditors should note that this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

- 2 8 All assets detailed in the Statement of Affairs have been realised.
- 2 9 Bank interest has continued to accrue in the liquidation bank account and during the period this amounted to £6.06.
- 2 10 It is anticipated that the work the Liquidator and his staff have undertaken to date will not bring a financial benefit to creditors.
- 2 11 Based on the above, I currently anticipate the total expenses that may be incurred in dealing with the remainder of the Company's asset realisations to be £50.

PASSING CLOUDS TRADING LTD - IN LIQUIDATION

Creditors (claims and distributions)

- 2 12 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2 13 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2 14 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.

Investigations

- 2 15 You may recall from my first progress report to creditors that some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.
- 2 16 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential.
- 2 17 Eleanor Wilson who is a director of the company was disqualified on 1st June 2016, due to an investigation by the Insolvency Service on a different company. However, the director has been disqualified and banned from being a director for 5 years.

Connected Party Transactions

- 2 18 No transactions with connected parties occurred during the period.

3 Creditors

Secured Creditors

- 3 1 The company has no secured creditors.

Preferential Creditors

The company has no known preferential creditors.

Unsecured Creditors

- 3 2 I have received claims totalling £20,887.80 from 5 creditors. I have yet to receive claims from 12 creditors whose debts total £103,652.51 as per the Company's statement of affairs.
- 3 3 I would confirm that it is anticipated there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

PASSING CLOUDS TRADING LTD - IN LIQUIDATION

4 Liquidator's Remuneration

- 4 1 Creditors approved that the basis of the Liquidator's remuneration by reference to the time properly spent by him and his staff in managing the Liquidation
- 4 2 My time costs for the Period are £1,972 50 This represents 7 30 hours at an average rate of £270 21 per hour Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by me in managing the liquidation During the period £4,000 plus VAT have been drawn on account
- 4 3 Also attached at Appendix B is a cumulative Time Analysis for the period from 3 February 2015 to 2 February 2017 which provides details of my time costs since my appointment The cumulative time costs incurred to date are £11,692 50 This represents 64 10 hours at an average rate of £182 41 per hour During the course of the liquidation the sum of £9,000 00 plus VAT has been drawn on account
- 4 4 In considering the remaining work to be done in this liquidation, I currently anticipate that my time costs to complete the liquidation will be between £1,500 and £5,000 00
- 4 5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from my firm's website
- 4 6 Attached at Appendix C is additional information in relation to the Liquidator's fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers

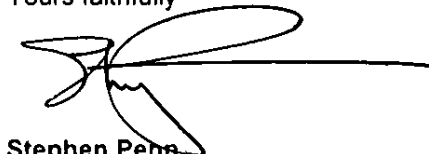
5 Creditors' Rights

- 5 1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report
- 5 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive

6 Next Report

- 6 1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

Yours faithfully



Stephen Penn
Liquidator

Appendix D

7 Staff Allocation and the Use of Sub-Contractors

- ## 8 Professional Advisors

- ## 9 Liquidator's Expenses & Disbursements

- | | Paid in prior period £ | Paid in the period covered by this report £ | Incurred but not paid to date £ | Total anticipated cost £ |
|-----------------------------------|------------------------|---|---------------------------------|--------------------------|
| Statutory advertising | Nil | Nil | 176 00 | 264 00 |
| Specific penalty bond | Nil | Nil | 36 00 | 36 00 |
| Redirection of the company mail | Nil | Nil | 120 00 | 120 00 |
| Computer Services – Insolv | Nil | Nil | 110 00 | 110 00 |
| Meeting room cost | Nil | Nil | 75 00 | 75 00 |
| Case related travel & subsistence | Nil | Nil | 150 00 | 150 00 |
| Category 2 disbursements | | | | |
| None | | | | |

- 9.3 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

11 Absolute Recovery Limited's current charge-out rates effective from 8 October 2014 are detailed below. Please note this firm records its time in minimum units of 6 minutes

PASSING CLOUDS TRADING LTD - IN LIQUIDATION

Description	(Per hour) £
Partner	350
Manager	225 - 275
Other Senior Professional	150 - 175
Assistants & Support Staff	100

New rates from 3 November 2016

Description	(Per hour) £
Partner	350
Manager/Senior Manger	225 - 275
Other Senior Professional	175 - 225
Administrator/Cashier	150 - 175
Junior Administrator	100
Assistants & Support Staff	100

Passing Clouds Trading Ltd
(In Liquidation)

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 03/02/2016 To 02/02/2017 £	From 03/02/2015 To 02/02/2017 £
RECEIPTS			
Furniture & Equipment	14,890 00	0 00	8,575 00
Stock	250 00	0 00	1,000 00
Goodwill	3,130 00	0 00	0 00
Cash at Bank	406 00	0 00	158 81
Bank Interest Gross		6 06	16 16
		<u>6 06</u>	<u>9,749 97</u>
PAYMENTS			
Preparation of S of A		0 00	333 33
Office Holders Fees		4,000 00	9,000 00
Corporation Tax		2 02	2 02
		<u>4,002 02</u>	<u>9,335 35</u>
Net Receipts/(Payments)		<u>(3,995 96)</u>	<u>414 62</u>
MADE UP AS FOLLOWS			
Bank 1 Current		(4,795 96)	462 95
VAT Receivable / (Payable)		800 00	(48 33)
		<u>(3,995 96)</u>	<u>414 62</u>

Note

Time Entry - SIP9 Time & Cost Summary

Project - Passing Clouds Trading Ltd
 Project Code POST
 From 03/02/2016 To 02/02/2017

Description of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.80	5.10	0.80	0.00	6.70	1,827.50	272.76
Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
disputes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.40	0.00	0.00	0.40	90.00	225.00
Realisation of Assets	0.00	0.20	0.00	0.00	0.20	55.00	275.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.80	5.70	0.80	0.00	7.30	1,972.50	270.21
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

Project - Passing Clouds Trading Ltd
Project Code POST
From 03/02/2015 To 02/02/2017

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	6.80	9.40	8.70	5.10	30.00	6,807.50	226.92
Specific Matters	1.70	0.00	1.90	0.00	3.60	880.00	244.44
Disputes	0.30	0.00	3.40	0.00	3.70	615.00	166.22
Investigations	1.10	0.40	6.00	18.10	25.60	3,185.00	124.41
Realisation of Assets	0.00	0.20	1.00	0.00	1.20	205.00	170.83
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	9.90	10.00	21.00	23.20	64.10	11,692.50	182.41
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	