

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



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01/05/2019

#173

COMPANIES HOUSE

1 Company details

Company number 0 9 1 7 5 0 0 1

Company name in full East London Community Arts

T/A Passing Clouds

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Stephen

Surname Penn

3 Liquidator's address

Building name/number Unit 2

Street Railway Court

Post town Ten Pound Walk

County/Region Doncaster

Postcode D N 4 5 F B

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 1	^d 6	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8
To date	^d 1	^d 5	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

X

Signature date

^d 2	^d 9	^m 0	^m 4	^y 2	^y 0	^y 1	^y 9
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**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 **Luke Blay**

Company name **Absolute Recovery Limited**

Address **Unit 2**

Railway Court

Post town **Ten Pound Walk**

County/Region **Doncaster**

Postcode **D N 4 5 F B**

Country

DX

Telephone **01302 572701**

**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

East London Community Arts T/A Passing Clouds
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 16/03/2018 To 15/03/2019 £	From 16/03/2017 To 15/03/2019 £
	ASSET REALISATIONS		
1.00	Plant & Equipment	NIL	NIL
1.00	Company Guarantors	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(26,131.33)	Trade & Expense Creditors	NIL	NIL
(21,000.00)	Customs & Excise	NIL	NIL
		NIL	NIL
(47,129.33)		NIL	NIL
	REPRESENTED BY		
			NIL

Note:

Liquidator's Annual Progress Report to Creditors & Members

**East London Community Arts T/A Passing Clouds
In Liquidation**

29 April 2019

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APPENDICES

- A** Receipts and Payments Account for the Period from 16 March 2018 to 15 March 2019
Cumulative Receipts and Payments Account for the Period since the Liquidator's Appointment
- B** Additional information in relation to Liquidator's Fees, Expenses & Disbursements

EAST LONDON COMMUNITY ARTS T/A PASSING CLOUDS - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Stephen Penn of Absolute Recovery Limited, Unit 2, Railway Court, Ten Pound Walk, Doncaster, DN4 5FB, was appointed as Liquidator of East London Community Arts (the **Company**) on 16 March 2017. This progress report covers the period from 16 March 2018 to 15 March 2019 (**the Period**) and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://absolute-recovery.co.uk/privacypolicy.html>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.3 The principal trading address of the Company was 1 Richmond Road, London, E8 4AA. The business traded under the name Passing Clouds.
- 1.4 The registered office of the Company has been changed to Unit 2, Railway Court, Ten Pound Walk, Doncaster, DN4 5FB and its registered number is 09175001.

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 and an explanation of the work done by the Liquidator and his staff.
- 2.2 At Appendix A is my Receipts and Payments Account for the Period. Also attached at Appendix A is a cumulative Receipts and Payments Account for the period from the date of my appointment as Liquidator to the end of the Period.
- 2.3 Following on from my last report I believe the case is now in a position to be closed and that there are no assets to be realised.
- 2.4 I have made an application to HM Revenue & Customs to deregister the company for VAT in readiness for this.
- 2.5 I will now issue HM Revenue & Customs with clearance letters seeking closure of the case and provided there are no objections to this, I will then be in a position to prepare and issue my Final Account to Creditors & Members and bring the administration of the liquidation to completion.
- 2.6 During the Period I have filed returns with HM Revenue & Customs as required, dealt with any creditor correspondence and generally maintained my case files.

Administration (including statutory compliance & reporting)

- 2.7 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees estimate/information.
- 2.8 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidator.
- 2.9 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

- 2.10 No assets were realised during the period.
- 2.11 No realisations have been made at all in this liquidation.
- 2.12 It is considered that the work the Liquidator and his staff have undertaken to date will not bring a financial benefit to creditors.

Creditors (claims and distributions)

- 2.13 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.
- 2.14 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.15 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

- 2.16 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.
- 2.17 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.
- 2.18 Since my last progress report I would advise that no further asset realisations have come to light that may be pursued by me for the benefit of creditors.

Matters still to be dealt with

- 2.19 The administration of the liquidation will now progress to closure.

Connected Party Transactions

- 2.20 In accordance with Statement of Insolvency Practice 13, I would advise you that no assets were sold to a director of the Company during the period covered by this report:

3 Creditors

Secured Creditors

- 3.1 The company has no secured creditors.

Preferential Creditors

3.2 A summary of preferential claims is detailed below.

Preferential claim	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1
8 Employee claims processed by the Department for Business, Energy & Industrial Strategy (BEIS)	4,499.17	Nil	Nil p in the £ paid

3.3 No payments have been made to preferential creditors through the liquidation.

Unsecured Creditors

3.3 I have received claims totalling £66,196.71 from 7 creditors. I have yet to receive claims from 19 creditors whose debts total £18,905.31 as per the Company's statement of affairs.

3.4 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.

4 Liquidator's Remuneration

4.1 Creditors approved that the basis of the Liquidator's remuneration be fixed at a set amount of £17,500 plus VAT. My fees estimate was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.

4.2 The Liquidator has drawn no monies against the total set fee agreed of £17,500 plus VAT approved by creditors.

4.3 At the date of this report, I would confirm that my fees estimate for the liquidation remains unchanged. This is because I consider my estimate to be sufficient or because at this juncture I intend restricting the Liquidator's time costs to be drawn from the estate to the level of my estimate and as a result, any time incurred in excess of this will not be borne by creditors. I reserve the right to refer back to creditors in due course however should this position change.

4.4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from my firm's website:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/liquidations-creditor-fee-guide-6-april-2017.ashx?la=en>

4.5 Attached as Appendix B 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 account.
- 6.2 If you have any queries in relation to the contents of this report, I can be contacted by telephone on 01302 572701 or by email at info@absrecovery.co.uk.

Yours faithfully



Stephen Penn
Liquidator

**East London Community Arts T/A Passing Clouds
(In Liquidation)**

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 16/03/2018 To 15/03/2019 £	From 16/03/2017 To 15/03/2019 £
RECEIPTS			
Plant & Equipment	1.00	0.00	0.00
Company Guarantors	1.00	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
PAYMENTS			
Trade & Expense Creditors	(26,131.33)	0.00	0.00
Customs & Excise	(21,000.00)	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
Net Receipts/(Payments)		<u>0.00</u>	<u>0.00</u>
MADE UP AS FOLLOWS			
		<u>0.00</u>	<u>0.00</u>

Note:

Appendix B

Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

7 Staff Allocation and the Use of Sub-Contractors

- 7.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 7.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 7.3 We are not proposing to utilise the services of any sub-contractors in this case.

8 Professional Advisors

- 8.1 On this assignment we have not used any professional advisors.

9 Liquidator's Expenses & Disbursements

- 9.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below:

Expense	Estimated cost £
Category 1 disbursements charged by the firm:	
Statutory advertising	88.00 per advertisement
Specific penalty bond	48.00
External meeting room hire	40.00
Re-direction of the Company's mail	175.00
Case related travel & subsistence	150.00
Postage	52.80
Category 2 disbursements charged by the firm:	
Business mileage	0.45 per mile
Printing & copying	£0.10 per sheet
Envelopes	0.10 per envelope
Storage	5.00 per box per calendar quarter

Current position of Liquidator's expenses

- 9.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Category 1 disbursements				
Statutory advertising	Nil	Nil	176.00	176.00
Specific penalty bond	Nil	Nil	48.00	48.00
External meeting room hire	Nil	Nil	40.00	40.00
Re-direction of the Company's mail	Nil	Nil	175.00	175.00
Case related travel & subsistence	Nil	Nil	150.00	150.00
Postage	Nil	Nil	32.13	65.07
Category 2 disbursements				
None				

EAST LONDON COMMUNITY ARTS T/A PASSING CLOUDS - IN LIQUIDATION

- 9.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 9.4 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.