

**CARLTONS BUSINESS LIMITED
IN LIQUIDATION ("THE COMPANY")**

**LIQUIDATOR'S ANNUAL PROGRESS REPORT
TO CREDITORS PURSUANT TO
RULE 4.49B OF THE INSOLVENCY ACT 1986
FOR THE PERIOD 24 NOVEMBER 2013 TO 23 NOVEMBER 2014**

**Keith Robin Cottam
Liquidator
Restart Business Turnaround and Insolvency Limited ("Restart BTI")
The Orchard
Sydney Hill
Two Dales
Matlock
DE4 2FN**

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COMPANIES HOUSE

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STATUTORY INFORMATION

Trading Address	19a Milestone Road Stone Dartford Kent DA2 6DW
Registered Number	03313713
Date of Incorporation	6 February 1997
Registered Office	The Orchard Sydnop Hill Two Dales Matlock DE4 2FN
Nature of Business	Debt Collection Agency
Date of Liquidation	14 November 2011
Liquidator	Keith Robin Cottam
Date of Appointment	24 November 2011
Basis of Remuneration	The Office Holders remuneration is to be calculated by reference to the time properly spent by the Liquidator and his staff in carrying out the functions, dealing with all matters arising during the course of the administration, and is to be based on his normal time costs chargeable in insolvency matters and that he be authorised to draw such remuneration on account as and when required
Contact Details	mail@restartbt.co.uk

1. INTRODUCTION

- 1 1 The insolvency cases that were previously being administered by Probitas Limited were transferred to Restart BTI with effect from 1 April 2014. As such, Restart BTI is now dealing with all aspects of the administration of this case from that date. There has been no change in the appointment of office holder in relation to this matter.
- 1 2 A Winding-up Petition was issued against the company by a creditor on 14 September 2011 and a Winding-up Order was made on 14 November 2011.
- 1 3 With effect from 24 November 2011, I, Keith Robin Cottam, now of Restart BTI, The Orchard, Sydnope Hill, Two Dales, Matlock, DE4 2FN was appointed Liquidator of the Company by the Secretary of State.
- 1 4 I am authorised to act as an Insolvency Practitioner in the United Kingdom by the Insolvency Practitioners Association of Valiant House, 4-10 Heneage Lane, London, EC3A 5DQ.
- 1 5 The Official Receiver's report to creditors is summarised as follows:

Assets	£
Book Debts	27,551 00
Director's Loan Accounts	80,000 00
Liabilities	
Unsecured Creditors	<u>105,893 10</u>
Estimated Surplus	<u>1,657 90</u>

2. REALISATIONS

- 2 1 A summary of my receipts and payments account for the year ended 23 November 2014 is attached. Bank interest of £47 60 has accrued on the balances held during the year.
- Cash at bank*
- 2 2 Further sums totalling £852 56 have been received from the company's bankers, HSBC Bank plc.
- Director's Loan Account/Post Petition Disposition Recoveries*
- 2 3 As set out in previous reports, funds of £100,059 were transferred to bank accounts in the name of Mr Green and other companies in which he was a director. These bank accounts were frozen following the granting of a Freezing Order on 5 December 2011 which was extended on a number of occasions.
- 2 4 An application was made under S127 of the Insolvency Act 1986 whereby various payments made out of the company's bank account following the presentation of the petition upon which the company was subsequently wound up are void. These withdrawals totalled £100,059.
- 2 5 A compromise agreement was reached with Mr Green whereby sums totalling £45,000 were to be paid in settlement. As set out in my previous report, sums totalling £28,250 had been paid to my solicitors and these funds have been paid into the estate during the period of this report, net of legal fees and disbursements. The balance of £16,750 was received on 12

January 2015, after the date of this report No further recoveries will therefore be made in this regard

- 2 6 As part of the payments referred to in section 2 3, it was established that funds of £22,532 68 were paid to Mr Green's co-director, Ms Clifford During the period of this report, the balance of these funds, £20,032 68, have been paid into the estate

Motor Boat

- 2 7 I have recently been advised that the outstanding mooring charges are in excess of 35,000 euros and I am seeking a valuation of the boat to ascertain whether or not the boat will have any benefit to the estate when taking these charges into account As previously advised, interest has been shown in the boat however no offers were forthcoming

3. PREFERENTIAL CREDITORS

- 3 1 The Official Receiver's report to creditors did not indicate any preferential however I have received preferential claims of £2,334 63 in respect arrears of wages and holiday pay

4. UNSECURED CREDITORS

- 4 1 The unsecured claims received to date are as follows

Number of Creditors	Statement of Affairs Figure	Number of Creditors	Claims received
39	£105,893 10	11	£126,952 23

6 RECEIPTS AND PAYMENTS ACCOUNT

- 6 1 Attached hereto at Appendix A is a copy of my Receipts and Payments account for the period 24 November 2013 to 23 November 2014

7 DISBURSEMENTS

7 1 Department for Business, Innovation & Skills

- 7 2 1 The Department for Business, Innovation & Skills ("DBIS") charge a quarterly banking fee of £22 00 for any Estate account which is maintained by them Total fees of £88 00 have been levied during the year covered by this report In addition, they charge a fee for the withdrawal of funds from the estate and during the year these fees totalled £1 40

- 7 2 2 A fee is also charged on a sliding scale on the amounts paid into the estate and following receipt of the funds referred to in sections 2 2, 2 5 and 2 6 above, fees totalling £5,422 78 have been drawn

8. LIQUIDATOR'S DISBURSEMENTS

- 8 1 No disbursements have been recovered from the estate or incurred by my Firm but not recovered during the period of the report

Category 1 Disbursements: Payment of specific expenditure which generally comprise of external supplies and services specifically identifiable to the case which can be made without approval from creditors

Category 2 Disbursements. Payments to the Office Holder or any party that is an associate of the Office Holder which generally comprise of disbursements for services provided by the Office Holder's firm. Such payments require the approval from creditors

- 8 2 A creditors' guide to fees, expenses and disbursements charged by Probitas Limited is enclosed at Appendix C, providing the basis of these disbursements. A similar guide for Restart BTI is also enclosed

9 REMUNERATION

- 9 1 An analysis of my time costs for the period covered by this report is attached at Appendix B
- 9 2 My cumulative time costs during the period covered by this report amount to £2,871.60 at an average hourly rate of £223.99. My fees have been approved on a time cost basis and, during the year, fees of £7,500 have been drawn. My total cumulative time costs are currently in excess of £56,000, against which total fees of £22,062.50 have been drawn
- 9 3 In particular, my staff and I have dealt with the following matters during the period covered by this report -
- Ongoing correspondence concerning the recovery of the post petition dispositions set out above, including correspondence with solicitors,
 - Ongoing correspondence with regard to the motor boat,
 - Case Reviews
 - Dealing with all statutory requirements pursuant to the Insolvency Act and Rules and reporting to creditors

- 9 4 The time costs analysis summary shows the various functions of the work undertaken by my staff and I are as follows -

Administration and Planning includes case planning, administrative set procedures, appointment notification, general administration, maintenance of records and statutory reporting

Investigation includes investigating antecedent transactions and any other investigations deemed to be appropriate or requested by the creditors

Realisation of Assets includes identifying, securing and insuring assets, sales of businesses, freehold and leasehold property, other fixed assets, motor vehicles, stock and the collection of book debts and dealing with any legal matters related thereto

Trading includes the planning of management operations, cash flow and trading forecasts, dealing with customers and suppliers, trading vat and tax matters and on-going employee issues

Case Specific Matters include employee and pension related matters, vat and other tax issues

Creditors includes creditors meetings, communications with creditors, agreeing secured, preferential and unsecured claims, and retention of title issues with suppliers

- 9 5 A Creditors' Guide to Fees is available and provides explanations of creditors' rights. This can be accessed via the internet at <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees> or alternatively, a copy can be requested by telephoning Restart BTi on 01629 690084
- 9 6 An unsecured creditor may, with the permission of the Court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.
- 9 7 An unsecured creditor may, with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to Court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to the Court within the same time limit.
- 9 8 The charge out rates for the individual members of staff of Probitas Limited who undertook work on this case during the year are set out below. There has been no increase in the charge out rates during the year.

Grade	Hourly Rate from 24 November 2013
Director	£310
Manager	£255
Administrator	£135
Cashier	£135
Junior Cashier	£40

- 9 9 As set out above and with effect from 1 April 2014, the ongoing administration of this case is now being dealt with by Restart BTi. A copy of Restart BTi's guide to Fees, Expenses and Disbursements is also attached at Appendix C. The charge out rates for Restart BTi are set out below, effective from 1 April 2014.

Grade	Current charge out rate per hour
Partner	£320
Associate Director	£280
Senior Manager	£250
Manager	£230
Administrator	£180
Cashier	£80
Support Staff	£80

- 9 10 As previously advised, I have instructed Irwin Mitchell LLP to assist me with regard to the issues set out in sections 2.3 to 2.6. It is intended that they will be remunerated on a time cost basis, subject to my agreement and sufficient funds in the estate to discharge their costs. The choice of Irwin Mitchell LLP was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. During the year, fees of £9,800 have been paid together with disbursements of £869.07. In addition, counsel's fees of £9,900 have been paid.

10 DIVIDEND PROSPECTS

- 10 1 The Official Receiver's report made reference to a surplus being available, however this was subject to the full realisation of the assets set out in that report together with the costs of the liquidation. With the exception of the motor boat, the value of which is uncertain, all assets

have been realised. However, given the costs of the liquidation, it would appear that no dividend to creditors will be payable. However, I intend to confirm the position once the position concerning the motor boat has been resolved.

11 CONCLUSION

- 11.1 Once I have dealt with the motor boat, I will take the necessary steps to close the liquidation.
- 11.2 Should you have any queries regarding this report, or the Liquidation in general, please contact Gareth Self on 01629 690084 or at garethself@restartbti.co.uk
- 11.3 At Restart BTI we always strive to provide a professional and efficient service, however we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. If you should have cause to complain about the way we are acting, you should, in the first instance, put details of your complaints to Keith Cottam of Restart BTI, The Orchard, Sydnope Hill, Two Dales, Matlock, DE4 2FN. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior member of staff unconnected with the appointment.
- 11.4 Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licenses the Insolvency Practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, or you may e-mail ip.complaints@insolvency.gov.uk, or you may phone 0845 602 9848 – calls are charged at between 1p and 10.5p per minute from a land line, for mobiles between 12p and 41p per minute if you are calling from within the UK.



~ Keith Robin Cottam
Liquidator

(Authorised to act as an Insolvency Practitioner in the United Kingdom by the Insolvency Practitioners Association)

Carltons Business Limited
(In Liquidation)

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 24/11/2011 To 23/11/2013 (£)	From 24/11/2013 To 23/11/2014 (£)	Total (£)
Cash at Bank		923 18	852 56	1,775 74
Refund of Legal Fees & Disbursements		5,983 04	0 00	5,983 04
Insolvency Service Account Interest		23 22	47 60	70 82
Client Debtor Recoveries		5,866 14	0 00	5,866 14
Post Petition Disposition Recoveries - C		2,500 00	20,032 68	22,532 68
Deposit on Creditors Petition		1,165 00	0 00	1,165 00
Post Petition Disposition Recoveries - G		0 00	28,250 00	28,250 00
Suspense Account		657 60	0 00	657 60
		17,118 18	49,182 84	66,301 02
PAYMENTS				
O R Disbursements		2,235 00	0 00	2,235 00
DTI Cheque Fees		2 20	1 40	3 60
Sec of State Fees		4,262 97	5,422 78	9,685 75
Liquidator's Fees		8,000 00	7,500 00	15,500 00
Legal Fees (1)		0 00	20,569 07	20,569 07
Income Tax		4 64	9 52	14 16
Bank Charges		164 00	66 00	230 00
		14,668 81	33,568 77	48,237 58
Net Receipts/(Payments)		2,449 37	15,614 07	18,063 44
MADE UP AS FOLLOWS				
ISA Main A/C		187 26	15,754 04	15,941 30
ISA Suspense A/c		662 11	0 00	662 11
VAT Receivable / (Payable)		1,600 00	(139 97)	1,460 03
		2,449 37	15,614 07	18,063 44

Carltons Business Limited - in liquidation

SIP9 Analysis

From 24 November 2013 to 23 November 2014

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0 70	3 50	1 10	2 42	7 72	1,635 60	211 87
Case Specific Matters	0 20	2 70	0 00	0 10	3 00	730 00	243 33
Creditors	0 70	0 20	0 00	0 20	1 10	311 00	282 73
Investigations	0 00	0 10	0 50	0 00	0 60	93 00	0 00
Realisation of Assets	0 00	0 40	0 00	0 00	0 40	102 00	255 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	1 60	6 90	1 60	2 72	12 82	2,871 60	223 99
Liquidator's Fees Claimed						0 00	

Creditors Guide to the Fees, Expenses and Disbursements charged by Probitas Limited

Details of Insolvency Practitioners Licensing Bodies

Keith Robin Cottam and Gareth Graham Self are licensed by the Insolvency Practitioners Association of Valiant House, 4-10 Heneage Lane, London EC3A 5DQ

Insolvency Practitioners Fees

Where it has been agreed by resolution of the creditors or the creditor's committee that the office holders remuneration will be calculated by reference to the time properly given by the insolvency practitioner and his staff in attending to matters arising in the administration, then such remuneration will be calculated in units of 6 minutes at the following hourly rates -

Grade	Total Hourly Standard Rates £	Total Hourly Complex Rates £
Partners / Directors	280-350	360-450
Senior Managers & Managers	200-275	280-360
Administrators	105-160	165-290
Assistants and Support Staff	40-160	

These are our current hourly charge out rates and are exclusive of value added tax. Rates are reviewed annually and creditors will be advised of any alteration thereto.

The charge out rates referred to above includes rates for staff of The P & A Partnership, an associated firm of Probitas Limited, who may from time to time carry out work on cases where a director of Probitas Limited has been appointed as office holder.

In cases of exceptional complexity, the insolvency practitioner reserves the right to obtain authority from the committee or the creditors that their remuneration shall be fixed as a percentage of the value of the assets, which are realised or distributed, or both.

Debt Collection, Contested Asset Recovery and Related Services

Contested debt collection will be referred to P&A Receivables Services PLC, an associated company of Probitas Limited and its dedicated legal firm James Peters & Co. The fees of P&A Receivables Services PLC shall be charged by reference to the time properly given by their staff, such fees will be calculated in units of 6 minutes at the hourly rate of £80. P&A Receivable Services PLC may also be used to recover items such as plant and machinery, to locate debtors and to serve documents. The fees for work of this nature will be calculated in accordance with P&A Receivables Services PLC's standard rates. James Peters & Co fees will be charged by reference to time costs properly incurred, calculated in 6 minute units at an hourly rate of between £109 and £213, plus their disbursements. These fees are in accordance with the guideline rates for summary assessment of costs following consultation between the legal profession and the Designated Civil Judge and are typical of legal firms in this geographical area.

Expenses and Disbursements

The payment of **Category 1** disbursements will be a charge against the estate to recover the cost of the actual disbursement, including insolvency bonds, swearing fees, redirection of mail, accommodation and subsistence, hire of

meeting rooms or any other miscellaneous item paid out in respect of the administration of the estate. A separate amount will be charged by way of an expense to recover the cost of **Category 2** disbursements for services provided by the insolvency practitioner's firm. Category 2 disbursements will include storage of company's books and records at the insolvency practitioner's own storage facility. The books and records will be stored in banker's boxes and a storage fee will be charged at the rate of £5 per box per month. This charge covers the transportation of records from the company's premises, storage, retrieval of books and records in storage for administration purposes and the destruction of such books and records after the first anniversary of the completion of the insolvency administration. The recharge for company searches and identification procedures for all new clients will depend on the documentation requested. The charges will be £10 per set of financial accounts, £5 for an annual return, £5 for a mortgage summary, £10 for a company report, £35 for the Memorandum and Articles of Association, £15 for credit references and £5 for any other documents. These charges reflect the insolvency practitioner's costs to cover the administration costs of collating the information in addition to the direct costs in obtaining the documents. The charge for the use of meeting rooms will be a flat rate of £100 per meeting. This includes where requested, the use of computer and media facilities. Travelling by motor vehicle on business for the administration of the insolvency will be charged to the estate per mile at the appropriate rate currently published by the "AA" for the type of vehicle and engine size used. All circulars will be sent out by first class post and the actual postage costs will be charged as an expense to the estate. In respect of circulars, stationery and photocopying will be charged out at the rate of 50p per letterhead, 25p per copy paper or facsimile, 09p per proxy form, 09p creditor's guide, 20p large envelope, 18p small envelope, 16p address labels. No charge will be made in respect of individual letters relating to the administration of the estate as the costs of these disbursements are reflected in the hourly rate. The charges stated above are subject to small annual increments and creditors will be advised of these with future circulars.

Introduction to Lending Sources

Probitas Limited may make referrals to P&A Lender Services Ltd ('PALS') being an associated company. PALS and its authorised representatives are not authorised under the Financial Services and Markets Act 2000 or by the Financial Services Authority to provide specific investment advice but they may be able to introduce funding seeking parties ('FSP's') to one or more reputable lending services ('Lender').

In such circumstances where any party associated with the referral is subsequently subject to any formal insolvency procedure and the Directors of Probitas Limited are appointed office holders in relation to any formal insolvency, then any arrangement fees or commissions or payments becoming due to PALS (if any) from any Lender in respect of the acquisition or future trading of the business and assets of the insolvent party, will be paid into the realisation fund in the formal insolvency for the benefit of creditors.

Details of Insolvency Practitioner Licensing Bodies

Keith Robin Cottam is licensed by the Insolvency Practitioners Association of Valiant House, 4-10 Heneage Lane, London EC3A 5DQ

Insolvency Practitioners Remuneration

The Insolvency Rules 1986 entitles Insolvency Practitioners to receive remuneration for his/her services and sets out the basis on how such remuneration shall be fixed which includes, a percentage of the assets realised and monies distributed in the insolvency process, a fixed amount, by reference to the time properly spent by the office holder(s), their partners, directors and their staff in attending to matters arising during the course of the insolvency, or one or more of the above basis and a different basis may be fixed for different tasks undertaken. Where it has been agreed by resolution of the secured creditors, a creditors committee, or creditors generally, that the office holder(s) remuneration will be calculated by reference to a time basis, then such remuneration will be calculated in units of 6 minutes at the hourly rates detailed below

Grade	Standard Hourly Rates £	Complex Hourly Rates £
Directors	320	480
Associate Directors	280	420
Senior Managers	260	390
Managers	230	345
Administrators	180	270
Assistants	150	N/A
Support Staff	50-80	N/A

(Secretarial services are outsourced by Restart BTi and are re-charged at an hourly rate of £50 per hour)

These represent our current hourly charge-out rates and are exclusive of VAT. Our rates are reviewed annually and creditors will be advised of any changes to these rates. In cases of an exceptionally complex nature or high risk we reserve the right to seek authority from the secured creditors, the creditors committee or the creditors generally to charge office holders remuneration at the complex rates as detailed above.

Expenses and Disbursements

The payment of **Category 1** disbursements will be a charge against the estate to recover the actual cost of the disbursement incurred in respect of the administration of the estate. A separate charge will be made to recover **Category 2** disbursements for services provided by the office holders firm.

Category 2 disbursements will include storage of the estates books and records at the office holders own premises. Books and records will be stored in banker's boxes and a storage fee of £6 per box per month will be charged. This charge covers the cost of transportation from the company's/debtor's premises, storage, retrieval of the books and records for administrative purposes and the destruction of such books and records at the conclusion of administration of the case.

The recharge for searches and electronic identification procedures for all new clients will depend on the documentation required. The charges will be £10 per set of financial accounts, £5 per annual return, £5 per mortgage summary, £10 per company report, £35 for Memorandum and Articles of Association, £15 for credit reference reports, £10 for any other documents and £20 per electronic identification verification reports. These charges reflect the firm's costs to cover the administrative costs of collating the documentation.

An annual charge of £150 will be made to corporate estates for the maintenance of the Company's registered office at the firm's office address. A standard charge of £100 will be made for the use of meeting room facilities at the firm's offices. Travel by motor vehicle for the purposes of the administration of the estate will be charged to the estate per mile and be based upon the appropriate rate currently published by the "AA" for the vehicle and engine size used. The rate charged will be based upon an annual mileage for the vehicle of 10,000 miles per annum.

A single charge of £100 will be made to the estate for the costs of computer facilities and case filing used during the course of the administration. All post and circulars relating to the case will be sent by first class post and will be recharged at the actual postage cost. Stationary and photocopying will be charged at a rate of 50p per letterhead, 50p per facsimile, 12p per photocopy (mono), 25p per copy (colour), 20p per large envelope, 15p per small envelope. These charges are subject to minor annual increases.