

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

03227515

Name of Company

Ark Design Limited

I / We

John William Rimmer, Unit A, Kings Chambers, Queens Road, Coventry, CV1 3EH

Peter John Windatt, Unit A, Kings Chambers, Queens Road, Coventry, CV1 3EH

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 25/09/2015 to 24/09/2016

Signed



Date

3/11/16

BRI Business Recovery & Insolvency
100 St James Road
Northampton
NN5 5LF

Ref 6479C/JWR/PJW/BC/ks

SATURDAY



A25 19/11/2016 #471
COMPANIES HOUSE

Ark Design Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 25/09/2015 To 24/09/2016	From 25/09/2014 To 24/09/2016
SECURED ASSETS			
18,000 00	Motor vehicle	NIL	NIL
(20,186 00)	Volkswagen Commercial Vehicle Fina	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
10,488 00	Book debts	NIL	6,384 00
	VAT Refund	NIL	NIL
2,602 00	Cash at bank	NIL	4,605 41
46,321 00	Director's loan account	12,000 00	22,000 00
Uncertain	s455 Corporation Tax Act 2010	NIL	NIL
	Bank Interest Gross	2 52	4 72
		12,002 52	32,994 13
COST OF REALISATIONS			
	Preparation of Statement of Affairs	NIL	3,700 00
	Liquidators' Remuneration	6,000 00	16,000 00
	Accountancy fees	50 00	2,000 00
	Pension agent fees	NIL	1,250 00
	Stationery and Postage	NIL	70 12
	Statutory Advertising	NIL	222 00
		(6,050 00)	(23,242 12)
PREFERENTIAL CREDITORS			
NIL	Employees - holiday pay	NIL	NIL
		NIL	NIL
UNSECURED CREDITORS			
(3,600 00)	Employees - non preferential	NIL	NIL
(2,298 00)	Professional services	NIL	NIL
(2,396 00)	HM Revenue & Customs (VAT)	NIL	NIL
(50,352 00)	HM Revenue & Customs (CT)	NIL	NIL
(16,427 00)	HM Revenue & Customs (PAYE/NI)	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
(2 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(17,850.00)		5,952.52	9,752.01
REPRESENTED BY			
	VAT Receivable		410 00
	Current Account		9,342 01
			9,752 01



John William Rimmer
Joint Liquidator
31 October 2016 15 45

**ARK DESIGN LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)
JOINT LIQUIDATORS' ANNUAL REPORT TO MEMBERS AND CREDITORS
FOR THE YEAR ENDING 24 SEPTEMBER, 2016**

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ARK DESIGN LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)
JOINT LIQUIDATORS' ANNUAL REPORT TO MEMBERS AND CREDITORS
FOR THE YEAR ENDING 24 SEPTEMBER, 2016

1. Statutory and general information

Company number: 03227515

Date of incorporation: 19 July, 1996

Previous name(s) of Company: None

Registered office: 100 St James Road
Northampton
NN5 5LF

Formerly: 31 Ribbonfields
Nuneaton
CV11 4JF

Liquidators: John William Rimmer of BRI Business Recovery and Insolvency, Unit A, Kings Chambers, Queens Road, Coventry, CV1 3EH, licensed to act as an Insolvency Practitioner in the United Kingdom by the ACCA under registration number 13836 and Peter John Windatt of BRI Business Recovery and Insolvency, Unit A, Kings Chambers, Queens Road, Coventry, CV1 3EH, licensed to act as an Insolvency Practitioner in the United Kingdom by the ACCA under registration number 008611

Date of appointment: 25 September, 2014

2. Joint liquidators' actions since the last report

2.1 This report should be read in conjunction with my previous progress report and my receipts and payments account which is attached as Appendix 1, please note that the figures are shown net of VAT.

2.2 As noted in my receipts and payments account, realisations are broadly in line with the estimated statement of affairs amounts. Greater detail is provided below.

2.3 Director's loan account

As stated in my previous report, an agreement was reached with the director to repay the sum of £57,184.00 in monthly instalments of £1,000.00, to be received by first of each month. The arrangement commenced 1 November 2014 and covers a period of 58 months.

I can confirm that a further £12,000.00 has been realised since my last progress report, therefore a total sum of £22,000.00 has been realised in respect of the loan balance up to the date of this report. The repayments are currently in arrears by one instalment in the sum of £1,000.00. My office has requested that this be brought up to date and an agreement was made with the director to repay the amount in two smaller instalments of £500.00, on top of the £1,000.00 instalment due for the following two months. However, the missed instalment remains due and my office continues to chase for this, albeit the remaining repayments have been paid when fallen due.

2.4 s455 Corporation Tax Act 2010

As noted in my earlier report a refund from HM Revenue & Customs ("HMRC") in respect of the s455 Corporation Tax Act 2010 on the repayment of the director's loan account, could be due to the liquidation estate. A refund for £14,296.00, which equates to 25% of the total balance of the loan could potentially be realised.

s455 tax on the repayment of the director's loan account can be claimed 9 months and 1 day after the tax year end date it was repaid in. Accordingly my office wrote to HMRC to make claim as of 26 June 2016 for the tax refund due on the £10,000 paid on the director's loan account in the tax year 25 September 2014 to 24 September 2015. Several letters and calls have been made to HMRC to differing offices on the advice of agents at HMRC to chase confirmation that the refund is due.

Please note that at the time of writing this report, I finally received confirmation from HMRC that no refund is due for the loan repaid in the tax year 25 September 2014 to 24 September 2015, due to a reconciliation in the Company's corporation tax account. However confirmation has been received that £3,000 could potentially be claimed on 25 June 2017, on the £12,000 collected on the director's loan account in tax year 25 September 2015 to 24 September 2016.

3. **Unrealised assets**

- 3.1 The assets that remain to be realised are the director's loan balance and the s455 tax refund, as noted in paragraphs 2.3 and 2.4. All other assets in the liquidation estate have been realised, details of which are noted in my previous progress report.

4. **Investigation into the affairs of the Company**

- 4.1 I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.
- 4.2 There were no matters that justified further investigation in the circumstances of this appointment. I took the following action where I considered that further investigation was justified.
- 4.3 Within six months of appointment, any liquidator is required to report to the Secretary of State on any matters which have come to their attention during the course of their work which may indicate that the conduct of any past or present director would make them unfit to be concerned with the management of the Company. I have complied with these requirements, however due to the confidential nature of any return or report, I am unable to make any further comments.

5. **Dividend prospects**

5.1 **Preferential creditors**

- preferential claims were not anticipated and no claims have been received to date.

5.2 **Unsecured creditors**

- To date claims received from unsecured creditors total £74,876.82 which are broadly in line with the amounts detailed on the Company's statement of affairs.
- On current information I believe that there will be sufficient funds to make a distribution. However, I am unable to give any firm indications of the amount of the distribution until such a time that asset realisations are completed.

5.3 Floating charge creditor and the prescribed part

- The Company has given no floating charges and accordingly the prescribed part provisions do not apply

6. Pre-appointment remuneration

- 6.1 The costs and expenses incurred by BRI Business Recovery and Insolvency in respect of the preparation of the statement of affairs and convening the meeting of creditors have, in accordance with the resolution passed at the meeting of creditors been paid out of the assets of the liquidation. The amounts are as follows

Fees	£3,700 plus VAT
Disbursements	£70.12 plus VAT
Category 2 disbursements	Calculated in accordance with the attached fee guide

7. Joint liquidators' remuneration

- 7.1 My remuneration was previously authorised by creditors at a meeting held on 25 September 2014 to be drawn on a time cost basis. My total time costs to 24 September 2016 amount to £17,714.25, which have been charged at an average charge out rate of £145.20, of which £7,668.25 was charged in the period between 25 September 2015 to 24 September 2016 at an average charge out rate of £143.06. I have drawn £16,000 to date of which £6,000 was drawn in the period between 25 September 2015 to 24 September 2016. A schedule of my time costs incurred to date is attached as Appendix 2 and a schedule of my time costs incurred for the period of this report is attached as Appendix 2a.

- 7.2 Extra time has been spent in the general planning and administration stages of the liquidation as well as on the realisation of assets. This is largely due to the implementation and monitoring of the arrangement for the director's loan account and in conjunction with this, corresponding with HM Revenue & Customs in regards to the s445 tax refund. The liquidation is required to remain open until collection of the loan balance and s455 tax refund is completed, thereby increasing the costs of administration.

- 7.3 For the benefit of creditors, the Association of Business and Recovery Professionals publish 'A Creditors' Guide to Liquidators' Fees'. This document is available by entering the following website address, www.briuk.co.uk then clicking on the 'Creditors' Guide to Fees' option on the grey headings bar. Please note that there are different versions for cases that commenced before or after 6 April 2010 and in this case you should refer to the post April 2010 version. A hard copy of this document can be obtained on request from any of our offices.

- 7.4 Creditors should note that the charge out rates have altered since I was appointed. I attach details of the new charge out rates which came into force on 1 April 2015 as Appendix 3 and the charge out rates which came into force on 1 April 2016 as Appendix 3a.

8. Joint liquidators' expenses

- 8.1 Details of the expenses that I have paid are shown on the attached receipts and payments account, and are largely self-explanatory.

- 8.2 The following category 2 disbursements have been incurred but have not yet been paid

Type of category 2 disbursement	Amount incurred/accrued to date	Amount still to be paid
Insurance bond	£237.00	£237.00
Postage	£10.58	£10.58

- 8.3 My choice of professionals was based on my knowledge of their experience and ability to perform the type of work required. I have reviewed the fees charged and as they are in line with original estimates, I am satisfied that they are reasonable in the circumstances of this case.

9 Further information

- 9.1 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 joint liquidators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.
- 9.2. 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 joint liquidators' 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 court within the same time limit.

10. Conclusion

- 10.1 The liquidation will remain open until the directors' loan account and the associated s455 corporation tax have been collected. Once this issue has been dealt with the liquidation will be finalised and our files can be closed.
- 10.2. Should you have any queries regarding this matter please contact Kiran Sehmi on 02476 226839



John William Rimmer
Joint Liquidator

**Ark Design Limited
(In Liquidation)**

Joint Liquidators' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 25/09/2014 To 24/09/2015 (£)	From 25/09/2015 To 24/09/2016 (£)	Total (£)
Motor vehicle	18,000 00	0 00	0 00	0 00
Book debts	10,488 00	6,384 00	0 00	6,384 00
Cash at bank	2,602 00	4,605 41	0 00	4,605 41
Director's loan account	46,321 00	10,000 00	12,000 00	22,000 00
s455 Corporation Tax Act 2010	Uncertain	0 00	0 00	0 00
Bank Interest Gross		2 20	2 52	4 72
Employees - holiday pay	NIL	0 00	0 00	0 00
		20,991.61	12,002 52	32,994 13

PAYMENTS

Volkswagen Commercial Vehicle Finance	(20,186 00)	0 00	0 00	0 00
Preparation of Statement of Affairs		3,700 00	0 00	3,700 00
Liquidators' Remuneration		10,000 00	6,000 00	16,000 00
Accountancy fees		1,950 00	50 00	2,000 00
Pension agent fees		1,250 00	0 00	1,250 00
Stationery and Postage		70 12	0 00	70 12
Statutory Advertising		222 00	0 00	222 00
Employees - non preferential	(3,600 00)	0 00	0 00	0 00
Professional services	(2,298 00)	0 00	0 00	0 00
HM Revenue & Customs (VAT)	(2,396 00)	0 00	0 00	0 00
HM Revenue & Customs (CT)	(50,352 00)	0 00	0 00	0 00
HM Revenue & Customs (PAYE/NI)	(16,427 00)	0 00	0 00	0 00
Ordinary Shareholders	(2 00)	0 00	0 00	0 00
		17,192 12	6,050 00	23,242 12

Net Receipts/(Payments)		3,799 49	5,952.52	9,752 01
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MADE UP AS FOLLOWS

Current Account	3,399 49	5,942 52	9,342 01
VAT Receivable / (Payable)	400 00	10 00	410 00
	3,799 49	5,952.52	9,752 01


John William Rimmer
Joint Liquidator

BRI (UK) Limited

SIP 9 Summary of hours and costs

from 25/09/2014 to 24/09/2016

Client	6479C	Ark Design Ltd	Hours					Total	Time Cost £	Average hourly rate £
			Lead IP	Manager	Assistant manager	Senior administrator	Administrato			
Classification of work function							Junior and support staff			
Admin & planning	4 10			7 00		16 40	21 50	1 40	£6,955 50	£138 01
Cashiering	8 40					21 50		0 60	£5,340 75	£175 11
Creditors	0 50					0 90	0 50	0 60	£389 00	£155 60
Investigations	0 40			5 50		1 70			£1,198 50	£157 70
Realisation of assets	0 60			1 60		3 80	11 60		£2,205 00	£125 28
Reporting	0 30			1 00		3 00	8 80	0 30	£1,625 50	£121 31
Posted time	14 30	0 00	15 10	0 00	47 30	42 40	2 90	122 00	£17,714 25	£145 20
Unposted time										
Total time										
Total time costs/grade	5,024 00	2,678 00	5,037 25	4,664 00	311 00	17,714 25				

02 November 2016

BRI (UK) Limited**SIP 9 Summary of hours and costs***from 25/09/2015 to 24/09/2016*

Client	6479C	Ark Design Ltd	Hours					Assistants and support staff	Total	Time Cost £	Average hourly rate £
Classification of work function	Lead IP	Manager	Assistant manager	Senior administrator	Administrato	Junior Administrator					
Admin & planning	1 00		3 10		0 50	13 10	0 50		18 20	£2,542 50	£139 70
Cashiering	3 70				8 30				12 00	£2,231 75	£185 98
Creditors						0 50	0 30		0 80	£88 00	£110 00
Realisation of assets	0 10		1 30			10 90			12 30	£1,506 00	£122 44
Reporting	0 30		1 00			8 80	0 20		10 30	£1,300 00	£126 21
Posted time	5 10	0 00	5 40	0 00	8 80	33 30	1 00		53 60	£7,668 25	£143 06
Unposted time											
Total time											
Total time costs/grade											
			1,810 00		1 112 50		972 75	3,663 00	110 00	7,668 25	

02 November 2016

BRI BUSINESS RECOVERY AND INSOLVENCY

CREDITORS' GUIDE TO FEES

Charge-out rates

Grade	Charge-out rate (£ per hour, charged in 6 minute units)
Directors/Insolvency Practitioners	230-350
Managers and Assistant managers	165-205
Administrators	110-165
Secretaries & Support Staff	110

Rates are subject to a periodic review and are likely to increase each April. A copy of our previous rates can be found on our website at www.brluk.co.uk

Agent 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

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

Other disbursements

Category	Basis of charge
Category 1	
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	At actual cost including train fare and all other public transport
Other	At actual cost charged
Category 2	
Mileage	Motor vehicle at 45p per mile from 6 April 2011
Room hire	Held at BRI offices £50 Any other venue, at actual cost
Stationery	A standard £6.50 charge is made for all initial files with a further £1.17 or 85pence (dependent upon file type) for any additional files required
Photocopying	Specific calculation of 2 pence per sheet x number of creditors
Postage	Standard charge of £15 per case plus a specific calculation of postage cost x number of creditors
Storage	Case records stored in BRI's own facility will be charged at the same rate levied by external storage providers as follows. Box costs at £4.70 per box and storage charge of £7.60 per annum

BRI BUSINESS RECOVERY AND INSOLVENCY

CREDITORS' GUIDE TO FEES

Charge-out rates

Grade	Charge-out rate (£ per hour, charged in 6 minute units)
Directors/Insolvency Practitioners	295-360
Managers and Assistant managers	170-210
Administrators	110-145
Secretaries & Support Staff	110

Rates are subject to a periodic review and are likely to increase each April. A copy of our previous rates can be found on our website at www.briuk.co.uk

Agent costs

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

- Solicitors/legal fees
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