

S.192

Liquidators' Progress Report Pursuant to Section 192 and 104A of The Insolvency Act 1986

To the Registrar of Companies

For Official Use

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Name of Company
Harry Kindred (Newcastle) Limited

Company Number

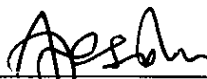
00468652

We,
Anthony Josephs
Gosforth Park Avenue
Newcastle upon Tyne NE12 8EG

Linda Farish
Gosforth Park Avenue
Newcastle upon Tyne NE12 8EG

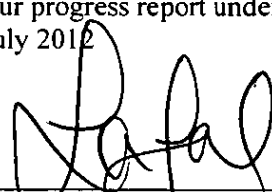
the Liquidators of the company, attach a copy of our statement of our progress report under section 192 of the Insolvency Act 1986 for the period 15 July 2011 to 14 July 2012

Signed



Anthony Josephs

Linda Farish



10/9/12

Dated

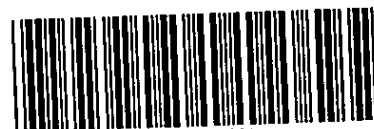
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RMT Accountants & Business Advisors
Gosforth Park Avenue, Newcastle upon Tyne NE12 8EG
Ref LAF/JAH

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Insolvency Sect	Post Room
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FRIDAY



A13 *A1HF66E0* #364
14/09/2012
COMPANIES HOUSE



real people account for more
ACCOUNTANTS + BUSINESS ADVISORS

Our Ref LH7600 LAF/JAH

10 September 2012

TO ALL KNOWN MEMBERS & CREDITORS

Dear Sirs

Harry Kindred (Newcastle) Limited In Liquidation

As you are aware I was appointed Joint Liquidator of the above company, together with Anthony Josephs, on 15 July 2010 This is my report to members and creditors following the end of the second year of the liquidation My report follows and should be read in conjunction with my reports of 15 July 2010 and 5 August 2011

Yours faithfully


L A Farish
Joint Liquidator

L

Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

A A Josephs and L A Farish are licensed in the United Kingdom to act as Insolvency Practitioners by the Association of Chartered Certified Accountants

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advice@r-m-t.co.uk
www.r-m-t.co.uk

Harry Kindred (Newcastle) Limited In Liquidation

Progress Report To Members & Creditors 15 July 2011 to 14 July 2012

1 Introduction

1 1 I was appointed as Joint Liquidator of Harry Kindred (Newcastle) Limited on 15 July 2010, together with Anthony Alan Josephs. Our appointment being confirmed at a meeting of creditors held later that day.

1 2 I detail below a brief summary of the conduct of the liquidation to date.

1 3 This report should be read in conjunction with my previous progress report dated 5 August 2011. Should you require an additional copy please do not hesitate to contact me.

1 4 Attached at Appendix I is the Statutory information in relation to the company.

2 Receipts & Payments Account

2 1 Attached at Appendix II is a receipts and payments account for the period 15 July 2011 to 14 July 2012 and incorporating the full period of the liquidation.

3 Assets

3 1 Book Debts

As you are aware from my last progress report, book debts were estimated to realise £20,000. The quantity surveyors engaged by the Liquidators are continuing to pursue debtors for payment, however, to date there have been no recoveries.

3 2 Inter-Company Debt

The Company had a claim totalling £96,203.98 in the liquidation of Realisations WECC Limited (formerly West End Cabinet Company Limited) ("WECC"), a subsidiary. A dividend was declared and paid by the liquidators and in October 2011 we received an amount of £68,160.57 being a first and final dividend of 70.85 pence in the pound.

3 3 Investment in Subsidiary Undertaking

As you are aware, this relates to shares held in the above subsidiary, WECC. Due to the liquidation of WECC, there will be no return on this investment. Accordingly the realisable value was shown on the Statement of Affairs as £0.

3 4 Receivership Surplus

A total of £28,359.03 has been paid to us by the Receivers. The Receivership is now concluded and no further funds will be recovered from this source.

4 "Prescribed Part"

4 1 The provisions of Section 176A of the Insolvency Act 1986 do not apply in this case.

LIABILITIES & DIVIDEND PROSPECTS

5 Preferential Creditors

5 1 The Company's preferential creditors have been paid in full by the Administrative Receivers

6 Crown Unsecured Creditors

6 1 The Statement of Affairs included £198,571 05 owed to HMRC incorporating £57,105 72 due in VAT and £141,465 33 due in respect of PAYE and NIC. The final claim in respect of PAYE and NIC is still awaited

6 2 HMRC's final claim in respect of VAT has been received in the sum of £57,105 72

7 Other Unsecured Creditors

7 1 The statement of affairs included 393 unsecured creditors with an estimated total liability of £2,280,608. I have received claims from 95 creditors at a total of £1,592,963. To date I have not received claims from 298 creditors with original estimated claims in the statement of affairs of £612,327

7.2 A further Proof of Debt form is attached to this report for creditors who have not yet submitted their claims.

8 Dividend Prospects

8 1 It is currently anticipated that there will be sufficient funds to pay a small dividend to unsecured creditors. However, we are presently in correspondence with a debtor of the company who disputes the amount due and who contends has an unsecured contract claim for damages. Until this matter is resolved, no dividend can be paid to unsecured creditors. We are hopeful that this will be finalised within three months.

9 Investigation into the Affairs of the Company

9 1 Within six months of my appointment as liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company. I would confirm that my report has been submitted and there are no issues which would affect recoverability for the benefit of the creditors.

10 Liquidators' Remuneration

10 1 At meetings of the board, members and creditors held on 17 June 2010 and 15 July 2010 respectively, my costs in relation to the summoning of those meetings, together with the preparation of the statement of affairs and all associated requirements was approved on a time cost basis. While estimated at £11,053 75 at the time of those meetings our actual costs drawn were £12,722 50

10 2 At the meeting of creditors held on 15 July 2010, it was agreed that the Joint Liquidators' remuneration would be based on time costs with the Liquidators drawing funds on account of those time costs as appropriate

10 3 Our time costs to date are £36,626 50 as scheduled on the enclosed summary of time costs at Appendix III, of which £16,249 50 has been drawn on account

At Appendix IV is a copy of the Practice Fee Recovery for RMT which provides further information to creditors with regard to my remuneration

10 4 In addition to the general costs set out in Appendix III our expenses to 10 September 2012 amount to £509 80 of which 506 80 have been drawn to date

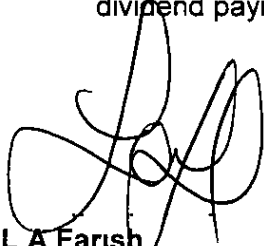
The following agents or professional advisors have been utilised in this matter

Professional Advisor	Nature of Work	Fee Arrangement
Hay & Kilner	Solicitors	Time Costs
Baker Mallett	Quantity Surveyors	Time costs

The choice of professionals 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. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case

11 Conclusion

11 1 Once any realisations have been received from book debts currently being investigated and final unsecured creditors' claims received and agreed, it is my intention to make the dividend payments and bring my administration of this case to a close



L A Farish
Joint Liquidator

Harry Kindred (Newcastle) Limited In Liquidation

**Liquidator's Annual Report to Members and Creditors
For the year ending 14 July 2012**

STATUTORY INFORMATION

Company name:

Harry Kindred (Newcastle) Limited

Registered office:

RMT, Gosforth Park Avenue, Newcastle upon Tyne, NE12 8EG

Former registered office:

Gainsborough House, 34-40 Grey Street, Newcastle upon Tyne, NE1 6AE

Registered number:

00468652

Liquidators' names:

Anthony Josephs & Linda Farish

Liquidators' address:

RMT, Gosforth Park Avenue, Newcastle upon Tyne, NE12 8EG

Liquidators' date of appointment:

15 July 2010

Receipts and Payments Abstract: LH7600 - Harry Kindred (Newcastle) Limited In Liquidation

Bank, Cash and Cash Investment Accounts: From 15/07/2011 To 14/07/2012

SOA Value £	15/07/2011 to 14/07/2012		Total to 14/07/2012	
	£	£	£	£
ASSET REALISATIONS				
0 00	Bank Interest Gross	100 23		103 22
20,000 00	Debtors (Pre-Appointment)	0 00		0 00
48,102 00	Inter-Company Debt	68,160 57		68,160 57
30,000 00	Receivership Surplus	0 00		28,359 03
			68,260 80	96,622 82
COST OF REALISATIONS				
0 00	Company Search	0 00		(4 00)
0 00	Legal Fees	(2,000 00)		(6,000 00)
0 00	Liquidators' Fees	(16,249 50)		(16,249 50)
0 00	Preparation of Statement of Affairs	0 00		(12,722 50)
0 00	Professional's Fees	(1,334 81)		(2,627 25)
0 00	Specific Bond	0 00		(276 00)
0 00	Statutory Advertising	0 00		(226 80)
0 00	Storage Costs	(154 50)		(551 87)
			(19,738 81)	(38,657 92)
UNSECURED CREDITORS				
(65,000 00)	Associated Creditors	0 00		0 00
(304,736 73)	Department of Employment	0 00		0 00
(81,820 12)	Employees	0 00		0 00
(198,571 05)	HM Revenue and Customs	0 00		0 00
(1,630,480 55)	Trade and Expense Creditors	0 00		0 00
			0 00	0 00
EQUITY				
(15,000 00)	Ordinary	0 00		0 00
			0 00	0 00
<u>(2,197,506 45)</u>			<u>48,521 99</u>	<u>57,964 90</u>
REPRESENTED BY				
	Cash at Bank		57,939 90	
	Unclaimed Dividend Reserve		25 00	
			<u>57,964 90</u>	
				<u>57,964 90</u>

RMT

TIME & CHARGEOUT SUMMARIES

Harry Kindred (Newcastle) Limited

To 10/09/2012

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	0 20	21 80	34 30	36 35	92 65	14,145 75	152 68
Investigations	0 00	1 10	1 00	0 00	2 10	413 00	196 67
Realisation of Assets	12 10	45 60	3 40	3 10	64 45	14,869 25	230 71
Trading	3 10	0 20	0 00	0 00	3 30	938 00	284 24
Creditors	2 70	4 00	17 90	18 20	42 80	6,260 50	146 27
Preferential Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Fees Claimed £	5,221 00	17,032 00	8,608 00	5,736 75		36,626 50	
Total Hours	18 10	72 70	56 60	57 65	205 30		
Average Rate	288 45	234 28	152 08	99 51			

PRACTICE FEE RECOVERY POLICY FOR RMT

Introduction

The insolvency legislation was changed in April 2010 for insolvency appointments commenced from that time in order to allow more flexibility on how an office holder's fees are charged to a case. This sheet explains how we may apply the alternative fee bases. The new legislation allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the court. Further detail about how an office holder's fees are approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.r3.org.uk. Alternatively, if creditors require any assistance or a hard copy of the guide please contact me.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the new legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under the old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

This is the basis that we use in the majority of cases and we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Chargeout Rates

Grade of staff	Current charge-out rate per h effective from 1 st July 2012 £	Previous charge-out rate per h effective from 1 st July 2011 £
Director	300 00	290 00
Head of Recovery	260 00	255 00
Manager	240 00	235 00
Senior Administrators	160 00	155 00
Administrator/Cashier	110 00	105 00

These charge-out rates charged are reviewed on 1st July each year and are adjusted to take account of inflation and RMT's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Each unit of time is 6 minutes. The work is recorded under the following categories:

- Administration and Planning – which includes work such as planning how the case will be administered and progressed, the administrative set up of the case, notifying creditors and others of the appointment, keeping the records relating to the case up to date, and reporting on progress of the case to creditors and others
- Financial affairs of the company and bankrupt, undertaking a detailed investigation with a view to making recoveries for the benefit of creditors where matters such as preferences or wrongful trading come to light as a result of the initial review, and reporting to the Insolvency Service on the conduct of the directors
- Realisation of Assets – which includes work such as identifying, securing and insuring assets, dealing with retention of title claims, collecting debts owed, and selling assets
- Employee matters – which includes work such as dealing with employees, and liaising with the redundancy payments office
- Creditors - which includes work such as communicating with creditors, dealing with creditors' claims, and where funds realised allow, paying dividends to creditors
- Trading – which includes work such as managing and controlling all aspects of the business, and preparing financial records and information relating to that trading

Percentage basis

The new legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. Where we would like to realise any asset or type of assets on a percentage basis we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Fixed fee

The new legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. Where we would like to charge a set amount for a task or different set amounts for different tasks we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

All bases

The officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent can include

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or RMT, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the RMT has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and company search fees.

Category 2 expenses are incurred by the RMT and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Room Hire	£30.00
Mileage	at HMRC rates
Storage	£3 per box per quarter
Photocopying	15p per sheet

Further Information

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 office holder'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.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the office holder'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 court within the same time limit.

Or in a Members Voluntary Liquidation,

A member may, with the permission of the court or with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report.

A member may, with the permission of the court or with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, 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.

Proof of Debt – General Form

HARRY KINDRED (NEWCASTLE) LIMITED In Liquidation	
Date of Winding-Up Order/Resolution for voluntary winding-up 15 July 2010	
1	Name of creditor (If a company please also give company registration number)
2	Address of creditor for correspondence
3	Total amount of claim, including any Value Added Tax and outstanding uncapped interest as at the date the company went into liquidation
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)
5	If amount in 3 above includes outstanding uncapped interest please state amount £
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7	Particulars of any security held, the value of the security, and the date it was given
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates
9	Signature of creditor or person authorised to act on his behalf _____
	Name in BLOCK LETTERS _____
	Position with or in relation to creditor _____
	Address of person signing (if different from 2 above) _____
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Liquidator	Liquidator