

Section 106

Form 4.72

Return of Final Meeting in a
Creditors' Voluntary Winding Up

Pursuant to Section 106 of the
Insolvency Act 1986

To the Registrar of Companies

S.106

Company Number

00480610

Name of Company

John Cheadle Limited

~~++~~We

Nigel Morrison, Hartwell House, 55-61 Victoria Street, Bristol, BS1 6FT

David J Dunckley, 30 Finsbury Square, London, EC2P 2YU

Note: The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1. give notice that a general meeting of the company was duly ~~held on~~/summoned for 13 April 2017 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of, and ~~that the same was done accordingly~~/no quorum was present at the meeting;

2. give notice that a meeting of the creditors of the company was duly ~~held on~~/summoned for 13 April 2017 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and ~~that the same was done accordingly~~/no quorum was present at the meeting.

The meeting was held at 4 Hardman Square, Spinningfields, Manchester, M3 3EB

The winding up covers the period from 15 April 2015 (opening of winding up) to the final meeting (close of winding up).

~~The outcome of any meeting (including any resolutions passed) was as follows:-~~

Signed

Nigel Morrison

Date 13 April 2017

Grant Thornton UK LLP
Hartwell House
55-61 Victoria Street
Bristol
BS1 6FT

Ref: J97006/NZM/ZLC/RJJ/EZF

TUESDAY



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18/04/2017

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COMPANIES HOUSE

John Cheadle Limited - In Liquidation
Final report of the joint liquidators

1 Introduction

- 1.1 Following my appointment as joint liquidator of the above company with David Dunckley on 15 April 2015, we are now in a position to conclude the liquidation.
- 1.2 The following appendices are included with this report:
- Appendix A, an account of our receipts and payments for the period from 15 April 2016 to date and also for the whole liquidation
 - Appendix B, a statement of the remuneration charged by the joint liquidators in the period 15 April 2016 to date and a statement of expenses incurred in the period
 - Appendix C, an analysis of our time costs as required by Statement of Insolvency Practice 9
 - Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator
 - Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to request further information regarding the liquidator's remuneration or expenses or to challenge these, if excessive.

2 Statutory information

- 2.1 The company's registered office is at 4 Hardman Square, Spinningfields, Manchester, M3 3EB and the registered number is 00480610.

3 Events since progress report to 14 April 2016

- 3.1 Since my last report, we have received tax clearance from HM Revenue & Customs and settled all final costs of the liquidation.
- 3.2 We are now in a position to convene the final meetings of members and creditors and progress the company to dissolution.
- 3.3 Once the final meetings of the company have been held, the company will move to dissolution approximately three months later.

4 Assets

Administration Surplus

- 4.1 The only asset is the balance transferred from the administration of £346,234.
- 4.2 No statement of affairs has been prepared for the liquidation.

Other realisations

- 4.3 We have received a rates refund of £551 in the period.
- 4.4 There are no remaining assets to realise.

5 Liabilities

Secured creditors

- 5.1 As previously reported, HSBC Bank plc (the Bank) was owed an estimated £4.8 million at the date of administration appointment.
- 5.2 Distributions totalling £585,000 were made to the Bank under both the fixed and floating charges during the administration.
- 5.3 A further £14,483 has been distributed to the Bank in the period, bringing total distributions during the liquidation to £59,483.

Preferential creditors

- 5.4 *During the administration, we settled employees' arrears of wages totalling £47,386 in respect of the retained employees. Such arrears would have represented a preferential claim.*
- 5.5 The employee claims for arrears of wages, accrued holiday pay and pensions to the date of appointment also rank as preferential claims and have been agreed and settled totalling £49,027.
- 5.6 The Bank's subrogated preferential claim in respect of monies advanced to pay wages in the administration was agreed at £95,759. We distributed £70,000 to the Bank on account during the administration and the remaining balance of £23,187 was paid in the liquidation.
- 5.7 *All preferential claims have been settled in full.*

Unsecured creditors

- 5.8 According to the directors' statement of affairs, total unsecured creditors were estimated to be in excess of £5.9 million.
- 5.9 Unsecured claims totalling £4,942,884 have been received and agreed.
- 5.10 In accordance with Section 176A of the Insolvency Act 1986, certain funds which would otherwise be payable to the secured creditor, will be made available instead to the unsecured creditors via the prescribed part.
- 5.11 A first and final dividend of 1.39p in the £ has been paid to the unsecured creditors.

6 Joint liquidators' remuneration and expenses

- 6.1 The administrators requested that their remuneration be calculated according to the time properly given by the administrators and their staff in attending to matters arising in the administration. Time is charged in 6 minute units.
- 6.2 The Bank has restricted the hourly charges out rates per staff category and a schedule of the restricted rates is included in Appendix C.
- 6.3 Pursuant to rule 4.127(5A) of the Insolvency Rules 1986, this basis applies also in the liquidation.

- 6.4 Administrators' fees of £140,000 have been paid during the liquidation as indicated in Appendix A.
- 6.5 You will note from the SIP 9 table attached at Appendix C that our time costs during the liquidation are £89,012 and from the receipts and payments account attached at Appendix A, that we have drawn £7,500.
- 6.6 Time is charged in units of 6 minutes. Background information regarding the fees of liquidators can be found at https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees_Oct_2015.pdf. Alternatively we will supply this information by post on request.
- 6.7 In addition, we have drawn administrators' expenses of £97 and liquidators' expenses of £205 as indicated in Appendix A.



Nigel Morrison
Joint Liquidator

Date:

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John Cheate Limited - in liquidation
Summary of receipts and payments
from 15 April 2015 to 13 April 2017

	Statement of Affairs £	From 15-Apr-15 to 14-Apr-16 £	From 15-Apr-16 to 13-Apr-17 £	Total £
Receipts				
VAT Refunds		3,221.32	0.00	3,221.32
Admin/Receivers Surplus		346,234.11	0.00	346,234.11
Bank/ISA InterestGross		50.70	6.93	57.63
Rates Refund		3,948.05	551.03	4,499.08
HMRC - VAT received/paid		28,585.78	1,000.00	29,585.78
		<u>382,039.96</u>	<u>1,557.96</u>	<u>383,597.92</u>
Payments				
Rents		4,746.72	0.00	4,746.72
DTI Cheque Fees		0.00	131.80	131.80
Administrators Fees		140,000.00	0.00	140,000.00
Administrators Expenses		96.92	0.00	96.92
Liquidators Fees		7,500.00	0.00	7,500.00
Liquidators Expenses		205.00	0.00	205.00
VAT irrecoverable		0.00	58.51	58.51
Misc Float Payments		54.29	0.00	54.29
Storage Costs		222.33	0.00	222.33
Statutory Advertising		84.60	70.20	154.80
Bank Charges		143.14	258.18	401.32
Preferential Creditors (All)		71,868.70	345.79	72,214.49
Unsecured Creditors		0.00	68,742.61	68,742.61
Floating Charge Creditor		45,000.00	14,483.35	59,483.35
Vat on Purchases		29,630.25	(44.47)	29,585.78
		<u>299,551.95</u>	<u>84,045.97</u>	<u>383,597.92</u>
Net Receipts/(Payments)		<u>82,488.01</u>	<u>(82,488.01)</u>	<u>0.00</u>
Made up as follows				
Floating Current Account NIB 09.07.15		82,488.01	(82,488.01)	0.00
		<u>82,488.01</u>	<u>(82,488.01)</u>	<u>0.00</u>

B Remuneration and expenses charged by the liquidators in the period since 14 April 2016

	Charged/incurred in period 15/04/2016 to date	Cumulative charged/incurred to date	Of which paid to date
	£	£	£
Joint liquidators' fees:			
Time costs	21,016	89,013	7,500
Expenses	278	483	205

C SIP 9 information

Introduction

The following information is provided in connection with the administrators' remuneration and disbursements in accordance with SIP 9.

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

	From 01/07/12	From 01/07/13	From 01/07/14
	£	£	£
Partners up to	580	600	740
Managers up to	440	455	470
Administrators up to	310	320	345
Assistants and support staff up to	210	220	230

HSBC Bank plc Restricted Charge Out Rates Per Hour:

	£
Partner	350
Director	350
Senior Manager	265
Manager	265
Administrator	190
Support staff	120

Disbursements

Out of pocket expenses are charged at cost and mileage is charged at standard rates. VAT is added to disbursement charges as necessary.

John Cheattle Limited - In Liquidation - J20597006 - SIP 9 TIME COST ANALYSIS

Transaction period : All transactions

	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg. Hrly Rate
Administration and Planning	3.00	1,485.00	20.50	8,365.00	27.51	6,263.90	39.95	5,885.75	80.96	21,999.65	241.86
Creditors			7.25	2,392.50	113.29	27,968.60	98.70	10,136.00	219.24	40,497.10	184.72
Hiatus period											
Investigations					.25	62.50	1.25	160.00	1.50	222.50	148.33
Pensions			11.50	5,976.00			.50	77.50	12.00	6,053.50	504.46
Realisation of Assets					6.00	1,500.00	21.25	2,720.00	27.25	4,220.00	154.86
Taxation	.40	286.00	15.20	7,633.50	20.70	5,575.00	14.85	2,328.00	51.15	15,832.50	309.53
Trading					.75	187.50			.75	187.50	250.00
Total	3.40	1,781.00	54.46	24,367.00	168.50	41,557.60	176.60	21,307.25	402.86	89,012.75	220.96

Total fees billed to date (Time) : £ 7,500

John Cheatte Limited - In Liquidation - J20597006 - SIP 9 TIME COST ANALYSIS

Transaction period : 15/04/2016 to : 09/02/2017

	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg. Hrry Rate
Administration and Planning (incl statutory reporting)	1.50	742.50	1.00	330.00	16.50	3,788.75	10.60	1,400.00	29.60	6,261.25	211.53
Chargeholders (incl bank reporting)					5.00	1,350.00			6.00	1,360.00	270.00
Corporation Tax			.30	135.00	2.50	700.00	1.00	120.00	3.80	955.00	251.32
Hiatus period									.00		
Investigations and reports on directors									.00		
Legal									.00		
PAYE and VAT					.85	212.50	.25	40.00	1.10	252.50	229.56
Pensions			11.30	5,876.00					11.30	5,876.00	520.00
Preferential creditors					3.55	864.50			3.55	864.50	243.52
Realisation of Assets: Debtors									.00		
Realisation of Assets: Other assets									.00		
Realisation of Assets: Property plant vehicles etc (incl HP leasing and third party)									.50	80.00	160.00
Realisation of Assets: Stock and WIP (incl ROT)									.00		
Sale of business									.00		
Trading									.00		
Unsecured creditors			1.50	495.00	14.75	3,737.50	9.80	1,144.00	26.05	6,376.50	206.39
Total	1.50	742.50	14.10	6,836.00	43.16	10,663.25	22.16	2,784.00	80.90	21,016.75	269.77

Total fees billed to date (Time) : £ 7,500

John Cheatle Limited - In Liquidation

TASKS	Incurred to date		
	Av Hrlly Rate	Hrs	£
STATUTORY AND ADMINISTRATIVE TASKS	212	30	6,261
Case planning/progression File reviews Statutory advertising Maintenance of records Reports to creditors Bank account administration (treasury)			
CREDITORS	219	35	7,591
Creditor Correspondence Correspondence with secured creditor and distributions Reviewing and logging proof of debts Liaising with the Pension Scheme and internal pensions team re pension claim Distribution to unsecured creditors			
PENSIONS	520	11	5,876
Liaising with the Pensions Regulator / Schemes Statutory reporting			
REALISATION OF ASSETS	160	1	80
Liaising with council re rates refund			
TAXATION	246	5	1,208
Tax compliance			
Total costs	260	81	21,016

D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator

Rule 4.49E edited for application to a draft final report in a creditors' voluntary liquidation

- (1) If
 - (a) within the period mentioned in paragraph (2)
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within the period mentioned in paragraph (2), any unsecured creditor makes a request in writing to the liquidator for further information about remuneration or expenses set out in the draft final report, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of a matter which was previously included in a progress report.
- (2) The period referred to in paragraph (1)(a) is 21 days of receipt of the draft final report.
- (3) The liquidator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the liquidator considers that
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information.
- (4) Any creditor, who need not be the same as the creditor who requested further information, may apply to the court within 21 days of -
 - (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just.
- (5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 4.131(1B) by such further period as the court thinks just.

E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive

Rule 4.131

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4).
- (1A) Application by a creditor may be made on the grounds that -
 - (a) the remuneration charged by the liquidator,
 - (b) the basis fixed for the liquidator's remuneration under Rule 4.127, or
 - (c) expenses incurred by the liquidator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate.
- (1B) The application must, subject to any order of the court under Rule 4.49E(5), be made no later than 8 weeks (or in a case falling within Rule 4.108, 4 weeks) after receipt by the applicant of the progress report or the draft report under Rule 4.49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss the application; but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice, but which is without notice to any other party.
If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly.
- (3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the liquidator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation
 - (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just; but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report.
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation.