

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

05766505

Name of Company

L K Worldwide Limited

I / We

Robert Neil Dymond, The Manor House, 260 Ecclesall Road South, Sheffield, S11 9PS

Lisa Jane Hogg, The Manor House, 260 Ecclesall Road South, Sheffield, S11 9PS

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 25/05/2014 to 24/05/2015

Signed



Date

17.7.15

Wilson Field Limited
The Manor House
260 Ecclesall Road South
Sheffield
S11 9PS

Ref LKWO01C/RD/LJH/PS/JF3

TUESDAY



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A17 21/07/2015 #290
COMPANIES HOUSE

L. K. Worldwide Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 25/05/2014 To 24/05/2015	From 25/05/2012 To 24/05/2015
ASSET REALISATIONS			
Uncertain	Book Debts	NIL	NIL
2,500 00	Cash at Bank	NIL	2,253 14
	Bank Interest Net of Tax	NIL	1 36
	Sundry Refund	NIL	781 68
	Director's contribution to costs	NIL	636 25
		<u>NIL</u>	<u>3,672 43</u>
COST OF REALISATIONS			
	Specific Bond	NIL	20 00
	Statement of affairs fee	NIL	1,040 00
	Petition costs	NIL	2,261 00
	Liquidators' fees	NIL	91 43
	Search Fees	NIL	20 00
	Travel expenses	NIL	60 00
	Statutory Advertising	NIL	180 00
		<u>NIL</u>	<u>(3,672 43)</u>
UNSECURED CREDITORS			
(508,296 86)	Trade & Expense Creditors	NIL	NIL
(42,325 07)	HM Revenue and Customs - VAT	NIL	NIL
(42,831 73)	LK Freight Limited - In Administration	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS			
(100 00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		<u>NIL</u>	<u>NIL</u>
<u>(591,053 66)</u>		<u><u>NIL</u></u>	<u><u>(0.00)</u></u>
REPRESENTED BY			
			<u><u>NIL</u></u>



Robert Neil Dymond
Joint Liquidator

In the matter of L K Worldwide Limited ("the Company")

And in the matter of the Insolvency Act 1986

Joint Liquidators' report to members and creditors

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1 Introduction

This report to members and creditors covers the period 25 May 2014 to 24 May 2015 ("the Period") and attached at Appendix A is a R&P account for the Period. This also details a cumulative R&P account for the period 25 May 2012 to 24 May 2015.

This report is prepared on an exception basis detailing only material changes from the last report.

2. Company and Joint Liquidators' Details

Company name	L K Worldwide Limited
Registered address	c/o Wilson Field Limited The Manor House 260 Ecclesall Road South Sheffield S11 9PS
Trading address	A2 Lympe Distribution Park Otterpool Lane Hythe Kent CT21 4LR
Other trading names of the Company	None
Company number	05766505
Names of Joint Liquidators	Robert Neil Dymond and Lisa Jane Hogg
Address of Joint Liquidators	Wilson Field Limited The Manor House 260 Ecclesall Road South Sheffield S11 9PS
Date of Appointment	25 May 2012
Change in Office Holder	By Order of the High Court dated 24 May 2013, Claire Foster, by consent, was removed as Joint Liquidator and Lisa Jane Hogg was appointed in her place with effect from 24 May 2013.

3. Progress during the Period

The attached R&P account is generally self-explanatory, but I would report specifically as follows:

Please note that all funds are held in a separate trust account set up in the Company's name. This has resulted in a receipt of bank interest of £1.36.

Assets

There have been no asset realisations during the Period.

4. Investigations

In accordance with the Company Directors Disqualification Act 1986 I would confirm that I have submitted a report on the conduct of the directors of the Company to the Department for Business Innovation & Skills. As this is a confidential report, I am not able to disclose the contents.

Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire.

Following my investigations it became apparent that dividends of £22,000 were paid to the shareholders when the Company did not have sufficient profits to support these payments. Additional payments were also made to the directors from the Company bank account.

I have instructed solicitors to pursue the matter further. The directors have also instructed solicitors to defend the claim on their behalf. It is uncertain whether there will be any realisations in this regard and further information will be provided in my next report to creditors.

5 Assets that remain to be realised

As detailed above, investigations remain ongoing and it is uncertain what realisations could be achieved in this regard.

6 Creditors and distributions

Secured creditors

The Company granted a debenture incorporating fixed and floating charges to Barclays Bank plc ("Barclays") on 2 October 2010. The directors' Statement of Affairs indicated that there was no outstanding indebtedness owed to Barclays and to date no claim has been received.

Preferential creditors

There have been no preferential claims received to date and none are expected.

Prescribed Part

Within the Insolvency Act 1986 there are provisions for a fund, called the Prescribed Part, to be set aside for distribution to the unsecured creditors in accordance with Section 176A of The Insolvency Act 1986. The Fund is calculated on the net realisations of assets subject to a floating charge contained in a debenture created on or after 15 September 2003. The fund is calculated as being 50% of the first £10,000 of net property and 20% thereafter subject to a maximum fund of £600,000.

In this instance, the qualifying floating charge is dated 2 October 2010 and therefore these provisions would apply. However, as there is no indebtedness to Barclays, there will be no realisations subject to a floating charge and therefore no Prescribed Part fund.

Unsecured creditors

The Statement of Affairs estimated that unsecured claims would amount to £593,454.

68 unsecured claims have been received to date totalling £310,326, leaving 307 creditors who have not yet lodged a claim in the Liquidation.

There are insufficient funds at present to enable a distribution to any class of creditor.

7 Joint Liquidators' remuneration and disbursements

At the first meeting of creditors held on 25 May 2012, it was resolved that the Statement of Affairs fee be approved in the sum of £5,000 plus VAT

To date funds in the sum of £3,266 have been paid to Wilson Field in respect of the Statement of Affairs fee. This includes a fee of £600 plus VAT that was drawn from the assets of the Company and fees of £2,120 plus VAT that were paid to Wilson Field personally by the directors

At the first meeting of creditors, it was also resolved that the Joint Liquidators' remuneration would be calculated on a time cost basis. The chargeable time for the Period totals £10,476 50 comprising of 40 30 hours at an average charge out rate of £259 96

Attached as Appendix B is a time analysis which provides details of time properly spent by me and my staff in managing the Liquidation during the Period, broken down by staff grade and activity. Also attached as Appendix B is a cumulative time analysis for the period from 25 May 2012 to 24 May 2015 which provides details of my time costs since appointment

Please note that this firm records its time in minimum units of 6 minutes

In accordance with the resolution I have drawn £91 43 on account of remuneration

A copy of 'A guide to liquidator's fees' is available at the following website link, <http://www.icaew.com/en/technical/insolvency/creditors-guides>. A hard copy is available on request

A schedule of our charge out rates was issued to creditors at the time the basis of the Joint Liquidators' remuneration was approved. Attached at Appendix C are details of this firm's charge out rates which have been applied with effect from 1 November 2014

During the Period no Category 2 disbursements have been taken

8. Joint Liquidators' expenses

During the Period the following expense has been incurred

Supplier/Service provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount outstanding £
MD Law	Legal advice	4,760 30	Nil	4,760 30
Total		4,760.30	Nil	4,760 30

Please note that the final fee to be agreed with MD Law is subject to asset realisations and is therefore subject to change

9. Creditors' rights

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

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

10. Conclusion

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 progress report ahead of convening the final meeting of creditors

Yours faithfully

A handwritten signature in black ink, appearing to be 'R N Dymond', written over a horizontal line.


R N Dymond
Joint Liquidator

L. K. Worldwide Limited
(In Liquidation)
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		<u>NIL</u>	<u>NIL</u>
<u>(591,053 66)</u>		<u><u>NIL</u></u>	<u><u>(0 00)</u></u>

REPRESENTED BY

NIL



Robert Neil Dymond
Joint Liquidator

L K Worldwide Limited - In Liquidation

Appendix B

Time analysis in accordance with SIP 9

Time Entry - Detailed SIP9 Time & Cost Summary

LKWO01C - L K Worldwide Limited
From 25/05/2014 To 24/05/2015
Project Code POST

Classification of Work Function	Directors & IP's	Manager & Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADCA Cashing	0 20	0 00	0 00	0 00	0 20	100 00	500 00
ADCR Case Reviews	1 10	0 80	4 10	3 70	9 70	2,265 50	233 56
ADGA File Maintenance	0 00	0 00	1 00	0 50	1 50	279 00	186 00
ADSC Statutory and Compliance	0 40	1 80	7 00	3 10	12 30	2 772 00	225 37
Admin and Planning	1 70	2 60	12 10	7 30	23 70	5,416 50	228 54
INAT Antecedent Transactions	3 30	0 00	0 00	0 00	3 30	1 517 50	459 85
Case Specific Matters	3 30	0 00	0 00	0 00	3 30	1,517 50	459 85
INRE Investigation and Review	2 80	0 00	9 60	0 00	12 40	3 296 00	265 81
Investigations	2 80	0 00	9 60	0 00	12 40	3,296 00	265 81
REDC Debt Collection	0 30	0 00	0 00	0 60	0 90	246 50	273 89
Realisation of Assets	0 30	0 00	0 00	0 60	0 90	246 50	273 89
Total Hours	8 10	2 60	21 70	7 90	40 30	10,476 50	259 96

Time Entry - Detailed SIP9 Time & Cost Summary

LKWO01C - L K Worldwide Limited
From 01/01/2001 To 24/05/2015
Project Code POST

Classification of Work Function	Directors & IP's	Manager & Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADCA Cashing	0 20	2 50	0 00	5 83	8 53	1 369 35	160 47
ADCR Case Reviews	2 00	0 80	5 40	3 70	11 90	2 847 50	239 29
ADDI Directors/Client	1 30	0 00	0 00	0 00	1 30	455 00	350 00
ADGA File Maintenance	0 00	0 00	2 98	19 00	21 98	2 361 33	107 41
ADSC Statutory and Compliance	1 30	1 80	9 08	3 10	15 28	3 417 17	223 59
Admin and Planning	4 80	5 10	17 47	31 63	59 00	10,450 35	177 12
CREM Employees	0 10	0 00	0 00	0 00	0 10	35 00	350 00
CRTV Tax and VAT	0 10	0 00	0 00	0 00	0 10	45 00	450 00
INAT Antecedent Transactions	3 30	0 00	0 00	0 00	3 30	1 517 50	459 85
REIS Identifying Securing and Insuring	0 20	0 00	0 00	0 00	0 20	80 00	400 00
Case Specific Matters	3 70	0 00	0 00	0 00	3 70	1,677 50	453 38
CRCL Creditors Claims	0 00	0 00	0 40	0 08	0 48	52 33	108 27
CRCO Communications with Creditors	2 40	0 00	18 30	0 00	20 70	4,441 00	214 54
Creditors	2 40	0 00	18 70	0 08	21 18	4,493 33	212 12
INDR CDDA Report	0 30	3 00	0 00	0 00	3 30	915 00	277 27
INRE Investigation and Review	4 20	10 30	22 70	1 00	38 20	8 218 00	215 13
Investigations	4 50	13 30	22 70	1 00	41 50	9,133 00	220 07
REDC Debt Collection	0 40	0 00	3 37	3 00	6 77	1 281 50	189 38
Realisation of Assets	0 40	0 00	3 37	3 00	6 77	1,281 50	189 38
Total Hours	15 80	18 40	62 23	35 72	132 15	27,035 68	204 58

L. K Worldwide Limited - In Liquidation

Appendix C

**Additional information in relation to Liquidators' fees pursuant to SIP 9
including Wilson Field Limited's charge out rates and disbursements policy**

Appendix C

Additional information in relation to Liquidators' fees pursuant to SIP 9 including Wilson Field Limited's charge out rates and disbursements policy

Detailed below is Wilson Field Limited's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of an IP/Director, Assistant Manager, Senior Administrator and/or Administrator and Secretarial and/or Support staff. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We are not proposing to utilise the services of any sub-contractors in this case.

Professional advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
MD Law (legal advice)	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Disbursements

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.

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 that may have been incurred are listed on the next page. Any Category 2 disbursements drawn from the case are detailed in the main body of the report.

Charge-out rates

A schedule of Wilson Field Limited's charge-out rates are detailed on the next page.

WILSON FIELD LIMITED CHARGE OUT RATES AND DISBURSEMENT POLICY

In accordance with Statement of Insolvency Practice 9 ("SIP 9") covering fees and disbursements, we are required to disclose to you our policy for recovering non-specific disbursements, and the charge out rates for the various grades of staff who may be involved in this case

Remuneration

The office holder(s) will seek approval from creditors to draw remuneration on a time cost basis, in accordance with the rates detailed below

	Hourly charge out rate (£)	
Grade	01/02/2014 to 31/10/2014	01/11/2014 onwards
Director/Insolvency Practitioner	350-500	500
Manager	260-400	400
Assistant Manager	N/A	395
Team Leader	N/A	390
Senior Administrator	240	330
Administrator (1-5 years experience)	120-240	230-300
Secretarial & Support	100-130	130

All time is recorded in 6 minute units

Category 1 Disbursements

In accordance with SIP 9, these do not require the approval of creditors and are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include advertising, room hire, insurance, travel expenses etc

Category 2 Disbursements

In accordance with SIP 9, these require the prior approval of creditors

Category 2 disbursements are charged in accordance with the liquidator's prevailing recovery policy at the time the disbursement is incurred. The rates applicable from 1 November 2014 are detailed below

Disbursement	Charge	
Search fees	£10 per document	On appointment
Document Upload Centre charge	£150	On appointment
Room Hire where meeting held at Wilson Field office	£100	On appointment (where appropriate)
Mileage	45p per mile	On appointment (where appropriate)
Postage, stationery, photocopying etc	£10 per member and creditor per year	On appointment and annually
Insolvency software fee	£150 per year	On appointment and annually
Storage of books and records	£80 per box per year	Once records are logged and then annually

In common with all professional firms, our charge out and disbursements rates increase from time to time. We reserve the right to change the rates without prior notice to you. Any change will be reported in the next statutory report to creditors.