

# 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

2860223

Name of Company

Kitchen Consultants Ltd

I / ~~We~~  
Shay Lettice  
Salisbury House  
Station Road  
Cambridge CB1 2LA

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 08/03/2012 to 07/03/2013

Signed \_\_\_\_\_

Date \_\_\_\_\_

18.4.13

Peters Elworthy & Moore  
Salisbury House  
Station Road  
Cambridge CB1 2LA

Ref KC006/SL/KM/BD



\*A26LQ15T\*  
A28 19/04/2013 #93  
COMPANIES HOUSE



**Peters  
Elworthy  
& Moore**

**TO ALL MEMBERS AND CREDITORS**

Email *bdyer@pem.co.uk*

Our Ref SL/KM/BD/CC028

Date 18 April 2013

Dear Sirs

**Kitchen Consultants Limited - In Liquidation (the Company)**

Please find attached a copy of my progress report on the liquidation for the year ended 7 March 2013

By way of reminder, I was appointed Liquidator following conversion from Administration. I am licensed to act as an Insolvency Practitioner in the UK by The Insolvency Practitioners Association

Should you have any queries please contact Ben Dyer at this office

Yours faithfully

**Shay Lettice  
Liquidator**

Enc



COMPANIES HOUSE

**Peters Elworthy & Moore**

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Roger Webster FCA Roger Guthrie FCA Paul Chapman FCA, Shay Lettice FCA MIPA FABRP Stephen Peak FCA Derek Carr CTA

Sanchia Norris CTA TEP Warren Tilbury FCCA Laragh Jeanroy FCA Kelly Whitehouse FCA Lake Falconer B Acc CA CF Edward Napper ACA

Registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales. Registered with the Chartered Institute of Taxation as a firm of Chartered Tax Advisers. Shay Lettice and Kate Merry Director are licensed as Insolvency Practitioners in the UK by the Insolvency Practitioners Association and when carrying out their duties as Insolvency Practitioners act without personal liability.



# Liquidator's Annual Report to Creditors



COMPANIES HOUSE

**Kitchen Consultants Limited**  
**- In Liquidation**  
**18 April 2013**

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## **APPENDICES**

- A Receipts and Payments Account from 8 March 2012 to 7 March 2013 and cumulative from 8 March 2011 to 7 March 2013
- B Time Analysis for the period 8 March 2012 to 7 March 2013
- C Cumulative Time Analysis for the period 8 March 2011 to 7 March 2013
- D Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

## **1 Introduction**

- 1 1 This report provides an update on the progress in the liquidation for the year ended 7 March 2013. By way of reminder, I was appointed liquidator of the Company on 8 March 2011 following the move from Administration to Liquidation.
- 1 2 At Appendix A, I have provided an account of my Receipts and Payments for the year ended 7 March 2013, together with the period since my appointment.

## **2 Realisation of Assets**

### *Goodwill*

- 2 1 As previously advised the purchaser entered Liquidation and no further realisations could be made in respect of goodwill under the agreed "earnout".

### *Book Debts and retentions*

- 2 2 As detailed in my last report David Stewart continued to assist with book debt and retention collections. At that time I stated that a number of the larger retentions have been disputed and counterclaims made. It was therefore estimated that a further £5,644 will be realised in respect of retentions, unfortunately no further realisations have been made.
- 2 3 Due to disputes it is unlikely there will be any further realisation. However, once I have collected the relevant records from David Stewart I will be carrying out a final review of the remaining retentions and book debts to ensure that no further realisations can be made before concluding the liquidation.
- 2 4 In accordance with Statement of Insolvency Practice No 13 (SIP13), I would advise you that no assets were sold to a Director of the Company.

## **3 Investigations**

- 3 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS). As this is a confidential report, I am not able to disclose the contents.

## 4 Creditors

### *Secured Creditors*

- 4 1 Royal Bank of Scotland plc holds a fixed and floating charge over the Company's assets. At the date of the liquidation the indebtedness was estimated at £215,543. To date Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period no distribution has been paid from the Liquidation, although a payment of £40,488 was paid in the preceding Administration in respect of fixed charge monies. As previously indicated there is unlikely to be any further distribution to the secured creditor.

### *Preferential Creditors*

- 4 2 There are no preferential claims.

### *Unsecured Creditors*

- 4 3 I have received claims totalling £1,191,250.17 from 91 creditors. I have yet to receive claims from 45 creditors whose debts total £163,575.72 as shown in the directors' statement of affairs. Due to the reasons detailed above there is no prospect of a dividend to unsecured creditors.

## 5 Liquidator's Remuneration

- 5 1 The basis of the Liquidator's remuneration was approved on a time costs basis at the first meeting of creditors in the preceding Administration.
- 5 2 The Liquidator's time costs in the period 8 March 2012 to 7 March 2013 total £5,489, representing 42.10 hours at an average rate of £130.38 per hour. Remuneration totalling £9,000 has been drawn in this period. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent in managing the Liquidation.
- 5 3 The Liquidator's cumulative time costs since 8 March 2011 total £19,733.50, representing 149.50 hours at an average rate of £132. Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during this cumulative period.
- 5 4 Attached as Appendix D is additional information in relation to our policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade. A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://www.pem.co.uk/how-we-help/business/pem-recovery/insolvency-practitioners-guides>

5 5 Since the date of appointment the following Category 2 disbursements have been taken

- Photocopying – £148 32

## 6 Liquidator's Expenses

6 1 The following expenses have been incurred since my appointment as Liquidator

Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
Companies House Search Fee	1 00	Nil	1 00
Photocopying	148 02	Nil	148 02
Postage	217 58	Nil	217 58

## 7. Creditors' rights

7 1 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

7 2 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

## 8. Next Report

8 1 I am required to provide a further report on the progress of the liquidation within three 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 report ahead of convening the final meeting of creditors

Yours faithfully



**Shay Lettice**  
Liquidator

**Kitchen Consultants Ltd  
(In Liquidation)**

**LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT**

	From 08/03/2012 To 07/03/2013 £	From 08/03/2011 To 07/03/2013 £
<b>RECEIPTS</b>		
Funds transferred from Administration	0 00	14,421 22
Book Debts	0 00	26,595 23
Bank Interest Gross	5 29	9 09
	<u>5 29</u>	<u>41,025 54</u>
<b>PAYMENTS</b>		
Former Administrators Fees	0 00	17,083 33
Office Holders Fees	9,000 00	9,000 00
Collection Fee	0 00	5,305 66
Rents Payable	0 00	12,264 99
	<u>9,000 00</u>	<u>43,653 98</u>
Net Receipts/(Payments)	<u>(8,994 71)</u>	<u>(2,628 44)</u>
<b>MADE UP AS FOLLOWS</b>		
Vat Receivable	1,105 58	6,975 25
Fixed Current A/c	0 79	0 79
Floating Current A/c	(178 71)	317 89
Vat Payable	(9,922 37)	(9,922 37)
	<u>(8,994 71)</u>	<u>(2,628 44)</u>

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Shay Lettice  
Liquidator



**Kitchen Consultants Limited**  
(in Liquidation)  
**Summary of time costs for the period**  
**8 March 2012 to 7 March 2013**

	Partner	Director/Manager	Assistant Manager/Senior Administrator	Administrators	Total hours	Time Cost	Average Rate
Administration & planning	1 50	0 30	11 10	1 00	13 90	2,094 00	150 65
Asset realisations	0 20	-	5 10	2 50	7 80	892 00	114 36
Creditors	0 40	0 50	14 50	2 00	17 40	2,254 00	129 54
Taxation	-	-	0 50	2 50	3 00	249 00	83 00
Total Costs	582 00	166 00	4,258 00	483 00	-	5,489 00	-
Total Hours	2 10	0 80	31 20	8 00	42 10	-	-

\*The charge out rates shown are the average rates for each grade of staff The total average time cost is £130 38

**Historical charge-out rates**

As my firm's fees are based on time costs, Statement of Insolvency Practice 9 requires me to provide you with details of "any material changes in the rates charged for the various grades since the resolution was first passed" I therefore set out below a summary of charge-out rates You will note that charge-out rates are increased annually Hourly rates vary depending on market rates, qualifications and experience of various grades of staff As detailed my firms fees are based on time costs, time is recorded in 6 minute units

Period commencing	Partner Hourly rate £	Director Hourly/Senior Manager rate £	Manager Hourly rate £	Assistant Manager Hourly rate £	Senior Administrator Hourly rate £	Administrator Hourly rate £	Trainee Administrator (2) Hourly rate £	Insolvency Assistant rate £
January 2011	275 00	N/a	200 00	160 00	130 00	115 00	70 00	50 00
April 2012	275 00	200 00	N/a	N/a	130 00	115 00	70 00	50 00
May 2012	280 00	230 00	200 00	170 00	140 00	115 00	75 00	50 00

**Kitchen Consultants Limited**  
(in Liquidation)  
**Summary of time costs for the period**  
**8 March 2011 to 7 March 2013**

	Partner	Director/Manager	Assistant Manager/Senior Administrator	Administrators	Total hours	Time Cost	Average Rate
Administration & planning	3 40	1 00	32 20	3 50	40 10	5,591 50	139 44
Asset realisations	3 60	0 20	37 10	5 20	46 10	6,162 00	133 67
Creditors	0 80	0 50	53 80	4 60	59 70	7,624 00	127 71
Taxation	-	-	0 50	2 50	3 00	249 00	99 60
Investigations	0 20	-	0 40	-	0 60	107 00	178 33
Total Costs	2,204 50	346 00	16,283 00	900 00	-	19,733 50	-
Total Hours	8 00	1 70	124 00	15 80	149 50	-	-

\*The charge out rates shown are the average rates for each grade of staff The total average time cost is £132 00

Historical charge-out rates

As my firm's fees are based on time costs, Statement of Insolvency Practice 9 requires me to provide you with details of "any material changes in the rates charged for the various grades since the resolution was first passed" I therefore set out below a summary of charge-out rates You will note that charge-out rates are increased annually Hourly rates vary depending on market rates, qualifications and experience of various grades of staff As detailed my firms fees are based on time costs, time is recorded in 6 minute units

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May 2012	280 00	230 00	200 00	170 00	140 00	115 00	75 00	50 00

## Appendix D

### ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES

#### PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

##### 1 Policy

Detailed below is Peters Elworthy & Moore policy in relation to

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

##### 1.1 *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 a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

I have utilised the services of David Stewart to assist with book debt and retention collections in this case. A fee totalling 10% of the first £100,000 of book debt realisations, 15% of book debt realisations over £100,000 and 20% of realisations on all retention collections.

##### 1.2 *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
Taylor Vinters (legal advice)	Hourly rate and disbursements
AUA Insolvency Risk Services (insurance)	Hourly rate and disbursements
Cheffins (valuation and disposal advice)	Hourly rate and disbursement

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

13 *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 disbursements can include costs incurred by Peters Elworthy & Moore for the provision of services which include an element of recharged overhead, for example, room hire or document storage. On this case the costs have been detailed in the body of the report.

**2. Charge-out Rates**

A schedule of Peters Elworthy & Moore's current charge-out rates for this assignment are attached.