

Liquidator's Progress Report**S.192****Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986**

To the Registrar of Companies

Company Number

OC331157

Name of Company

(a) Insert full name of
company

(a) CONISTON HOTEL KENT LLP

Limited

(b) Insert full name(s) and
address(es)I/~~We (b)~~

Isobel Susan Brett of Bretts Business Recovery Limited, 21 Highfield Road, Dartford, Kent, DA1 2JS.

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 13 January 2013 to 12 January 2014.

Signed



Date

9/3/14

Presenter's name,
address and reference (if
any)Isobel Susan Brett
Bretts Business Recovery Limited
21 Highfield Road
Dartford
Kent
DA1 2JS

FRIDAY



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COMPANIES HOUSE

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CONISTON HOTEL (KENT) LLP
Liquidator's Second Annual Report to Members and Creditors
For the year ending 12 January 2014

STATUTORY INFORMATION

LLP name: Coniston Hotel (Kent) LLP

Registered office: 141 Parrock Street
Gravesend
Kent DA12 1EY

Former registered office: 2nd Floor
2 City Place
Beehive Ring Road
Gatwick
West Sussex RH6 0PA

Unit 4 Ground Floor
Bedfont House
Holywell Lane
Upchurch
Sittingbourne ME9 7HN

Registered number: OC3311⁵27

Liquidator's name: Isobel Susan Brett

Liquidator's address: Bretts Business Recovery Ltd
141 Parrock Street
Gravesend
Kent DA12 1EY

Date of Winding Up Order: 12th December 2011

Liquidator's date of appointment. 13th January 2012

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the periods from 13th January 2013 to 12th January 2014 and from 13th January 2012 to 12th January 2014 is attached at Appendix 1. I can confirm the account has been reconciled with that held by the Secretary of State

INTRODUCTION

I was appointed Liquidator of the above LLP on 13th January 2012 following a petition to wind up the LLP compulsorily by the former Administrators, Mr Matthew Tait and Miss Sarah Raymont

ASSETS

All tangible assets were dealt with by the former Joint Administrators. All realisations have been utilised in discharging the former Administrator's fees and in payment to the Fixed Charge Holder, NatWest, on account of their lending to the LLP.

As previously advised the Members of the LLP have initiated legal proceedings against the former Administrators and NatWest in the hope of making a financial recovery for the LLP and its creditors. The outcome of such action cannot be ascertained at this point.

The Members of the LLP have approached me with a view to purchasing the "rights of action" of the LLP. These negotiations are ongoing.

The Members have indicated that, if successful, it is their intention to pay to me any recovery that they make from the proceedings, subject to deduction of their reasonable and proper costs, for the benefit of the LLP..

LIABILITIES AND DIVIDEND PROSPECTS

Dividend prospects depend entirely upon the successful outcome of the legal proceedings instigated by the Members.

Secured Liabilities

The Royal Bank of Scotland Plc ("NatWest ") held a legal charge over the LLP's property dated 13th January 2009 containing a fixed charge over the property at 70 London Road, Sittingbourne, all fixtures and fittings to the property, all equipment, computers, plant and machinery, furniture & furnishings, tools and other chattels not regularly disposed of in the ordinary course of business.

Following completion of the sale of the property by the Joint Administrators, NatWest has been paid £3.5m. Prior to the distributions, the LLP's indebtedness to the Bank was £4.58m. Interest and charges continue to accrue on the unpaid balance of the indebtedness. The figure of £4.58m is disputed by the Members.

Preferential Creditors

Preferential claims constitute employee claims for arrears of wages (subject to a maximum of £800) and holiday pay (unlimited) for those employees that were may redundant by the Administrators.

As previously advised the Redundancy Payments Office ("RPO") submitted a preferential claim for £67,000 to the former Administrators in respect of payments that it made to the Company's employees from The National Insurance Fund. Part of this claim has been settled with a VAT refund owed to the LLP having been applied in crown set-off.

Prescribed Part

Under Section 176A of the Insolvency Act 1986 where a company, or LLP, has granted to a creditor a floating charge after the 12th September 2003, a proportion of the net property of the Company. or LLP, after payment of expenses and preferential creditors, must be made available purely for the unsecured creditors. The LLP had not granted a floating charge to any creditor after 12th September 2003 and consequently there will be no prescribed part in this case.

Unsecured Creditors

The statement of affairs prepared for the purposes of the Administration scheduled 237 potential unsecured trade creditors with an estimated total liability of £817,585. Approximately 129 of these creditors were estimated to have claims of £1.00 or less. The LLP's liabilities included the claims of HM Revenue & Customs for PAYE/NIC and The RPO which were estimated to be £52,953 and £120,000 respectively.

In addition the Partners have indicated that they have invested £4,396,000 into the LLP by way of loans and capital injection.

I have not incurred the costs of agreeing unsecured claims and does not propose to do so until it becomes clear that funds will be available for distribution to creditors.

Crown Creditors

HMRC have an estimated claim for PAYE/NIC for £53,000. As indicated above the LLP was due a VAT refund which has been utilised in partial settlement of the preferential claim submitted by the RPO.

LIQUIDATOR'S ACTIONS SINCE APPOINTMENT AND INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

As previously advised since my appointment on 13th January 2012 I have carried out investigations into the affairs of the LLP, its Members and its Administrators.

I have continued to keep a watching brief on the Proceedings issued by the Members against the former Administrators and National Westminster Bank plc. In the event of the Members being successful in their action(s) this may facilitate a return to the LLP.

LIQUIDATOR'S REMUNERATION

In accordance with the Statement of Insolvency Practice No.9, creditors are advised that:-

My remuneration was previously by Creditors at a meeting held on 28 March 2013 to be drawn on a time cost basis.

This firm's standard insolvency rates with effect from 1st January 2012 are set out in Appendix 1 to this report.

The total hours expended by me and all staff involved with the case during the period 13th January 2013 to 12th January 2014 is 19.4 hours. The charge out value of this time is £5,139.50 plus VAT I have ensured that during this period the appropriate member of staff has undertaken the different tasks involved taking into account the complexity of the task and the qualifications and experience of the person involved.

My total time costs in the period 13 January 2012 to 12 January 2014 total £29,873 which have been charged at an average charge out rate of £251.56.

The members have paid me a fee of £1,666.66 plus VAT from their personal resources on account of my time costs in this matter. This fee is not included in the enclosed receipts and payments account. This is the only fee that I have received in this matter.

A general analysis of the time charged confirms that in the periods 13 January 2013 to 12

January 2014 and 13 January 2012 to 12 January 2014 work has been undertaken is set out in Appendix 2.

In respect of the work undertaken creditors should be aware that in addition to statutory duties it has been necessary for the me and my staff to deal with:-

Administration and Planning

Case planning
Administrative set-up
Appointment notification
Maintenance of records
Statutory reporting

Investigations

SIP 2 review
CDDA reports
Investigating antecedent transactions
Investigation into specific allegations received

Realisation of Assets

Identifying potential assets including rights of action.

Creditors

Communication with creditors

Other Case Specific Matters

Maintaining watching brief on legal proceedings instigated by the Members.

LIQUIDATOR'S EXPENSES

The following category one expenditure has been incurred but has not been reimbursed during the period covered by this report.

| Type of expense | Amount of expense incurred to date | Amount still to be paid |
|------------------------|---|--------------------------------|
| | £ | £ |
| Courier charges | 48.65 | 48.65 |

No category two expenditure (which includes an element of shared or allocated costs) has been incurred but not been reimbursed during the period covered by this report:

Details of category one and category two expenses incurred and not reimbursed in the first year of the Liquidation were provided in me's previous annual report.

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

| Professional Advisor | Nature of Work | Fee Arrangement |
|-----------------------------|-----------------------|------------------------|
| Brachers Solicitors | Legal Advice | 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.

FURTHER INFORMATION

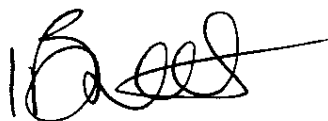
An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of me's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the 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 creditors (including the creditor in question), apply to court to challenge the amount and/or basis of me'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.

SUMMARY

The liquidation will remain open until the outcome of the legal proceedings initiated by the Members are known. I cannot advise on the likely date or potential outcome of those proceedings. Once this issue has been dealt with the liquidation will be finalised and our files will be closed.

Should you have any queries regarding this matter please contact me on 01474 532862.



Isobel Brett FABRP
Liquidator

Re: CONISTON HOTEL (KENT) LLP
LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT
FOR THE PERIOD 13 JANUARY 2013 TO 12 JANUARY 2014
AND 13 JANUARY 2012 TO 12 JANUARY 2014

| Estimated Realisations per SOA | | Period 13/01/2013 to 12/01/2014 | Period 13/01/2013 to 12/01/2014 |
|--------------------------------------|---|---------------------------------------|---------------------------------------|
| | <u>RECEIPTS</u> | | |
| 0 00 | Rights of Action | 0.00 | 0.00 |
| | Sundry refund | 137 14 | 137 14 |
| | Debit balance held on Insolvency Services Account | 2,283 86 | 2,283 86 |
| <u>0.00</u> | | <u>2,421 00</u> | <u>2,421 00</u> |
| | <u>PAYMENTS</u> | | |
| | Official Receiver's Costs | 2,289.00 | 2,289 00 |
| | Insolvency Service banking fees | 132 00 | 132 00 |
| | | <u>2,421.00</u> | <u>2,421.00</u> |

Preferential claims settled in full by the Liquidators

237 potential unsecured creditors whose claims are estimated to total £817,585 have not received a dividend

CONISTON HOTEL - Z2229

13/01/2012 to 12/01/2014

| | IP | Manager | Admin | Support | Total Hours | Total (£) | Average |
|--------------------------------------|--------------|----------------|--------------|----------------|--------------------|------------------|----------------|
| Administration & Planning | 60.80 | 1.00 | 5.50 | 23.45 | 90.75 | 20,850.75 | 229.76 |
| Investigations | 12.30 | 4.50 | 0.00 | 0.00 | 16.80 | 5,405.00 | 321.73 |
| Realisation of Assets | 1.00 | 0.00 | 0.20 | 0.00 | 1.20 | 360.00 | 300.00 |
| Creditors | 9.90 | 0.00 | 0.10 | 0.00 | 10.00 | 3,257.50 | 325.75 |
| | 84.00 | 5.50 | 5.80 | 23.45 | 118.75 | 29,873.25 | 251.56 |

Appendix 2

Liquidator's fees

A general analysis of the time charged in the period 13th January 2013 to 12th January 2014 confirms that work has been undertaken in the following areas:-

| HOURS | | | | | | Time Costs Incurred | Average Hourly Rate |
|-----------------------------|---------|---------|----------------------------|----------------------------|-------------|---------------------|---------------------|
| Classification of Work | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | | |
| Administration and Planning | 0.6 | 1.0 | 0.4 | 2.9 | 13.7 | 180.00 | 251.24 |
| Investigations | 0.5 | 0 | 0 | 0 | 0.5 | 150.00 | 300.00 |
| Realisation of Assets | 9.4 | 0 | 0 | 0 | 0.6 | 3,442.00 | 300.00 |
| Creditors | 4.5 | 0 | 0.1 | 0 | 4.6 | 1,367.50 | 297.28 |
| Total | 15.0 | 1.0 | 0.5 | 2.9 | 19.4 | 5,139.50 | 264.92 |

A general analysis of the time charged in the period 13th January 2012 to 12th January 2014 confirms that work has been undertaken in the following areas:-

| HOURS | | | | | | Time Costs Incurred | Average Hourly Rate |
|-----------------------------|---------|---------|----------------------------|----------------------------|-------------|---------------------|---------------------|
| Classification of Work | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | | |
| Administration and Planning | 60.8 | 1.0 | 5.5 | 23.45 | 90.75 | 20,850.75 | 229.76 |
| Investigations | 12.3 | 4.50 | 0 | 0 | 16.8 | 5,405.00 | 321.73 |
| Realisation of Assets | 1.0 | 0 | 0.20 | 0 | 1.2 | 360.00 | 300.00 |
| Creditors | 9.9 | 0 | 0 | 0 | 5.40 | 1,890.00 | 325.75 |
| Total | 84.00 | 5.50 | 5.80 | 23.45 | 118.75 | 29,873.25 | 251.56 |

Staff Charge-Out Rates

Unless they are otherwise fixed in accordance with the Insolvency Act 1986, an Offices Holders fees are charged by reference to time costs, as incurred, charged at the firms usual rates applicable at the time the work is carried out. Rates may be varied from time to time. Staff time is charged in units of six minutes. The maximum rates applicable during the liquidation were:

| | Charge-out rate per hour, effective from: | |
|--------------------------------|---|------------------------------------|
| Grade of staff | 1 st January 2012 £ | 1 st December 2012 £ |
| Partner | 350.00 | 300.00 |
| Senior manager | 250.00 | 250.00 |
| Manager | 225.00 | 225.00 |
| Senior Administrator (grade 1) | 200.00 | 200.00 |
| Senior Administrator (grade 2) | 175.00 | 175.00 |
| Administrator (grade 1) | 120.00 | 120.00 |
| Administrator (grade 2) | 125.00 | 125.00 |
| Administrator (grade 3) | 90.00 | 90.00 |