

**MIDNIGHT CAFE LTD T/A FLAMES INDIAN RESTAURANT  
("THE COMPANY")  
IN LIQUIDATION**

**JOINT LIQUIDATORS' PROGRESS REPORT FOR THE  
PERIOD FROM 13 JUNE 2018 TO 12 JUNE 2019**

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## 1. STATUTORY INFORMATION

Name of Company: Midnight Cafe Ltd - In Liquidation ("the Company")

Trading Name(s): Flames Indian Restaurant

Date of Incorporation: 19 December 2006

Company Registered Number: 06032521

Company Registered Office: 3<sup>rd</sup> Floor, The Pinnacle, 73 King Street, Manchester M2 4NG

Company's Director and Secretary:

	Date Appointed	Shares Held
<b>Director(s)</b>		
Kauser Hussain	1 September 2012	1
<b>Secretary</b>		
Kauser Hussain	1 September 2012	As above

## 2. THE JOINT LIQUIDATORS

Names of Joint Liquidators: John Paul Bell, (8608) and Toyah Marie Poole (9740)  
Licensed Insolvency Practitioners of Clarke Bell Limited,  
3<sup>rd</sup> Floor, The Pinnacle, 73 King Street, Manchester M2 4NG

Date of Appointment: 13 June 2018

Joint Liquidators' Contact Details: John Paul Bell and Toyah Marie Poole  
[info@clarkebell.com](mailto:info@clarkebell.com)

## 3. PROGRESS DURING THE PERIOD, TOGETHER WITH RECEIPTS AND PAYMENTS MADE

Attached at Appendix A is a copy of our Receipts and Payments Account for the twelve month period under review, 13 June 2018 to 12 June 2019.

All figures detailed in the Receipts and Payments account are shown net of VAT.

The progress and movement on the Account is explained as follows:

## **Asset Realisations**

### (i) Motor Vehicles

As at the date of Liquidation, the company held a Motor Vehicle, which was estimated to realise £500.

Upon our appointment it was identified that this vehicle was in disrepair and as a result the director made the necessary arrangements for the vehicle to be scrapped.

Consequently, no realisations will therefore be made in this respect.

### (ii) Cash at Bank

The directors Statement of Affairs detailed the company held cash at bank in the sum of £1,000.

Upon our appointment however, we have identified that no monies were actually held in the company's bank account as at the date of Liquidation. As a result, no realisation will be made in this regard.

### (iii) Overdrawn Director's Loan Account

As creditors are aware, the company's Accounts as at 31 December 2016 detailed monies due from the director in the form of an overdrawn loan account in the sum of £1,143.

After crystallising the loan amounts, I established that these monies were repaid by way of a dividend subsequently declared but not taken.

No realisation will therefore be made in this respect.

## **Costs of Realisations**

I have not needed the assistance of any professional agent in order to formally deal with the company's assets. As such, no costs have been incurred.

## **4. ASSETS WHICH REMAIN TO BE REALISED**

The Receipts and Payments Account at Appendix 1 not only provides the realisations to date but also provides the Statement of Affairs figure as provided by the Company's Director(s). It will be seen from the anticipated assets (shown in the far left-hand column) that all assets have been formally dealt with.

## **5. INVESTIGATIONS**

A Liquidator is required to carry out work which complies with the requirements of the Company Directors Disqualification Act 1986. Whilst this work may not necessarily bring about any financial benefit to the creditors (unless potential recoveries are identified) we must carry it out.

In accordance with Statement of Insolvency Practice 2 - Investigations by Officeholders in Administration and Insolvent Liquidations, we have conducted an initial review of the Company's records and completed the online questionnaire regarding the conduct of the director(s) to the Department for Business, Energy and Industrial Strategy (DBEIS), as provided by them. The submission and the outcome thereof is confidential and cannot be disclosed to you in this report.

My investigations did not reveal any potential recoveries for the benefit of the creditors.

## 6. REMUNERATION AND EXPENSES

### Joint Liquidators' Remuneration and Expenses

#### Remuneration

No resolution has been passed in respect of our remuneration and Category II Disbursements in this matter.

#### Guidance for Creditors

A Creditors Guide to Insolvency, which contains much useful information including outline guidance on how fees are fixed and also the rights, duties and functions of Committees is available from <http://www.creditorinsolvencyguide.co.uk>.

You may also find it useful to read "A Guide To Liquidators' Fees" which can be downloaded from <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>. Please ensure that you download the correct version for the date of appointment.

Alternatively, if you require a paper copy of this guidance please contact me accordingly and a copy will be sent to you.

### Joint Liquidators' Expenses

Set out below is information on the anticipated expenses together with the actual expenses incurred to date:

Type Of Expense	Provider	Incurred To Date (£)	Paid To Date (£)	Amount Outstanding (£)
Statutory Advertising	Courts Advertising	144.00	0.00	144.00
Bordereau	Marsh Limited	60.00	0.00	60.00
Postage	Clarke Bell Limited	4.56	0.00	4.56
Photocopying	Clarke Bell Limited	15.60	0.00	15.60

## 6. ESTIMATED OUTCOME FOR CREDITORS / DISTRIBUTIONS

I set out specific information for each class of creditor.

### **Secured Creditor(s)**

The company has no secured creditors.

### **Preferential Creditors**

There are no known preferential claims.

### **Prescribed Part for Unsecured Creditors Pursuant to s176A Insolvency Act 1986**

Section 176A of the 1986 Insolvency Act provides that where the Company has created a Floating Charge on or after 15 September 2003 the Liquidator must calculate and make a 'Prescribed Part' of the Company's net property available for the unsecured creditors ahead of any distribution to the floating charge holder.

### **How the Provisions Apply to This Company**

There are no floating charges created on or after 15 September 2003. Therefore, the provisions of s176A do not apply.

### **Unsecured Creditors**

The Liquidation commenced with creditor claims totalling £41,533.

At the date of this report I have received claims totalling £107,482 from 2 creditors.

I am yet to receive claims of £2,208 from 4 creditors, as per the Director(s) Statement of Affairs.

Claims received from H M Revenue & Customs are much higher than anticipated.

### **Dividend Prospects**

There are insufficient funds to enable a distribution to the unsecured creditors.

Therefore, in accordance with Rule 14.36(1) of the Insolvency (England and Wales) Rules 2016, no dividend is to be made to any class of creditor in this matter as no funds have been realised.

## **7. CREDITORS' RIGHTS**

As a creditor, you have a right to request further information with regard to any aspect of this report or to challenge the Liquidator(s) fees and expenses as provided in the following Rules;

IR 2016 18.9 - Creditors' and Members' request for further information

If you are not satisfied with our response, you have the right to request further information from us with regard to our remuneration and expenses, with either the permission of the court, or with a collective request from 5% in value of the unsecured. This request must be made within 21 days of receipt of this report, and upon receiving such request we have 14 days in which to provide all information required.

IR 2016 18.34 – Creditors' claim that remuneration is/or other expenses are excessive

Further, creditors have the right to apply to Court to challenge the amount of, or the basis of our remuneration and expenses with either the permission of the Court or with a collective request from 10% in value of unsecured creditors. This application must be made within 8 weeks of receipt of this report.

This application must be made no later than eight weeks after receipt by the applicant of the Progress Report, or Final Report which first reports the charging of the remuneration or the incurring of the expenses in question.

Secured creditors may make the same request or the same application in their own right under each Rule.

## **8. CONCLUSION**

I am required to deliver a copy of our progress report within two months after the end of the period covered by the report.

I am in the process of winding up the company's Pension Scheme. As such, the Liquidation will remain open until this matter has been formally concluded.

Yours faithfully



**TOYAH MARIE POOLE  
JOINT LIQUIDATOR**

**DATED: 7 AUGUST 2019**



**APPENDIX A**  
**RECEIPTS AND PAYMENTS ACCOUNT**

**Midnight Cafe Ltd T/A Flames Indian Restaurant  
(In Liquidation)  
Joint Liquidators' Summary of Receipts and Payments**

	Statement of affairs £	From 13/06/2018 To 12/06/2019 £	From 13/06/2018 To 12/06/2019 £
<b>RECEIPTS</b>			
Motor Vehicles	500.00	0.00	0.00
Cash at Bank	1,000.00	0.00	0.00
Overdrawn DLA	Uncertain	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
<b>PAYMENTS</b>			
Trade & Expense Creditors	(3,642.02)	0.00	0.00
HM Revenue & Customs - PAYE/NIC	(3,161.91)	0.00	0.00
HM Revenue & Customs - CT	(553.57)	0.00	0.00
HM Revenue & Customs - VAT	(34,175.18)	0.00	0.00
Ordinary Shareholders	(1.00)	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
<b>BALANCE - 12 June 2019</b>		<u><b>0.00</b></u>	<u><b>0.00</b></u>
<b>MADE UP AS FOLLOWS</b>			
		<u>0.00</u>	<u>0.00</u>

## APPENDIX B

### JOINT LIQUIDATORS' DISBURSEMENT POLICY

#### Category 1 & Category 2 Disbursements

Disbursements are categorised as either Category 1 or Category 2.

#### Category 1

Category 1 disbursements are clearly identifiable third party costs that are directly attributable to the case. Occasionally these disbursements are paid by Clarke Bell Limited and then recharged to the case, usually when there are insufficient funds within the case to pay the disbursement at the time it falls due. Specific approval from creditors is not required for Category 1 disbursements.

Typical examples of Category 1 disbursements are:

- Postage
- Advertising
- Insurance
- Travel costs
- External room hire

#### Category 2

Category 2 disbursements are estimated or shared costs which may include some internal recharges from Clarke Bell Limited. It is likely that it is not possible, or too costly, to calculate the exact cost and an estimate is therefore used. These disbursements can be paid from the case if the basis of the charge has been approved by creditors.

Typical examples of Category 2 disbursements are:

- Photocopying
- Mileage
- Storage

The current levels of Category 2 disbursements recovered by Clarke Bell Limited are as follows:

Photocopying at £0.15 per copy.
Mileage at £0.45 per mile.
Storage and destruction of records at £12 per box of records, per annum.

## APPENDIX C

### JOINT LIQUIDATORS ACTIVITIES

Detailed below is a summary of the activities that have been undertaken in this matter since our appointment as Joint Liquidators.

Staff of different levels will be involved in these activities dependent upon the level of experience required in order to keep costs to an appropriate level.

#### **(a) Administration**

- Case Planning – Reviewing the circumstances of the case to determine the appropriate strategy.
- Preparing and circulating Notice of Appointment to creditors advising of the outcome of the appointment and other formalities, including gazetting the Appointment of Liquidators.
- Setting up electronic case files.
- Setting up the case on the firm's electronic case management system and entering data.
- Obtaining a specific bond, this is insurance required by Statute that every insolvency office holder has to obtain for the protection of each estate.
- Reviewing the adequacy of the specific bond on a quarterly basis.
- Dealing with all routine correspondence and emails relating to the case.
- Undertaking periodic file reviews.
- Maintenance of Liquidator's records.
- Preparing and filing VAT Returns.
- Reviewing the VAT position on a quarterly basis.
- Dealing with the company's Pension Scheme.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and delivering progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing Corporation Tax Returns.

#### **(b) Realisation of Assets**

- Liaising with the director in order to receive all information / documentation required to assist me in realising the company's assets.
- Liaising with the bank regarding the closure of the account.

#### **(c) Investigations**

- Recovering the books and records for the case.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors etc.
- Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.
- Undertaking any further investigations required in order to take any action necessary as identified in our statutory investigations.

**(d) Creditors**

- Preparing and updating a list of creditors.
- Maintaining a list of creditor claims.
- Lodging creditor Proof of Debt Forms.
- Dealing with creditor enquiries.