

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

To the Registrar of Companies

Company Number

1008301

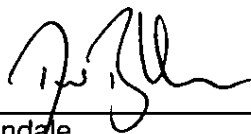
Name of Company

(a) Insert full name of
company

(a) MRGB Realisations Ltd

(b) Insert full name(s)
and address(es)We (b) David Robert Baxendale and Zelf Hussain of
PricewaterhouseCoopers LLP, 7 More London Riverside, London,
SE1 2RT,the liquidators of the company, attach a copy of our Progress Report
under section 192 of the Insolvency Act 1986The Progress Report covers the period from 29 May 2012 to 28 May
2013Presenter's name,
address and
reference (if any)

Signed



Date

D R Baxendale
7 More London Riverside, London, SE1 2RT

TUESDAY

A08 16/07/2013 #188
COMPANIES HOUSE



First progress report to members & creditors

12 July 2013

Company MRGB Realisations Ltd – in liquidation

Registered number 1008301

Registered address 7 More London Riverside, London, SE1 2RT

Type of insolvency Creditors' Voluntary Liquidation

Date of appointment 29 May 2012

Appointees David Robert Baxendale
Zelf Hussain

Address 7 More London Riverside, London, SE1 2RT

Dividend Prospects

***Current estimate
P in the £**

Unsecured

16 - 19 p/£

**Please note that the guidance on dividend prospects is indicative only. It should not be used as the sole or principal basis of any bad debt provision decision.*

MRGB Realisations Ltd – in liquidation (“the Company”)

The Joint Liquidators’ first progress report to members and creditors for the period 29 May 2012 to 28 May 2013

In accordance with Rule 4.49C of the Insolvency Rules 1986 (“IR86”), this is the Joint Liquidators’ first progress report to members and all known creditors. Attached at appendix A is a summary of the financial information relating to the liquidation.

Appointment of Administrators

On 5 December 2011 David Robert Baxendale and Zelf Hussain of PricewaterhouseCoopers LLP were appointed Joint Administrators of the Company. The administration was concluded on 29 May 2012, being the date the Company moved into creditors’ voluntary liquidation.

Asset Realisations

The Company had no charged assets.

The Company’s assets have been realised as follows:

Freehold property

The major asset in the liquidation was the former trading premises of the Company, being the freehold land and buildings (the “Property”) at 110-112 Morden Road, Mitcham Surrey, CR4 4XB. The sale of the Property was completed on 14 March 2013 for a total sum of £3,450,000. This is significantly in excess of the estimated realisable value in the directors’ statement of affairs which was £2,400,000.

Rental income

From 29 May 2012 until sale on 14 March 2013 the Property was tenanted, with agents Croft Capital Ltd (“Croft”) appointed to manage the Property on behalf of the Joint Liquidators. Rental income as at 28 May 2013 was £205,344 (net of VAT). Croft have additional funds of approximately £41,800 which will be transferred shortly to the liquidation.

Book debts

You will note from the final administration progress report that total pre appointment book debts of £4,020,042 had been recovered. This was against those estimated to be realised in the directors’ statement of affairs of £3,247,400.

As at 29 May 2012 an amount of £256,007 in respect of pre and post appointment book debts remained to be collected during the liquidation. In the year to 28 May 2013, further funds of £152,152 were collected, comprising £107,236 in respect of pre appointment book debts, and £44,916 in respect of post appointment book debts.

Due to their industry knowledge and existing commercial relationship with many of these debtors, the Joint Liquidators appointed Manroland Web Systems (UK) Ltd on a commission basis to assist in their collection. No further realisations are anticipated.

Outcome for Creditors

Preferential / secured creditors

There are no preferential or secured creditors.

Unsecured creditors

The Joint Liquidators are pleased to inform creditors that there are sufficient funds available to enable them to declare and pay a first dividend of approximately 15 pence in the £ to unsecured creditors

Formal notification of the dividend will be issued shortly. A notice of intended dividend was issued on 28 June 2013 to all creditors who have not yet proved their debt.

Those creditors which have not yet proved their debt and wish to be included in the dividend are reminded that **the last day for proving your debt is 24 July 2013**. Your formal claim in the liquidation together with supporting documentary or other evidence, should be sent to the Joint Liquidators at PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT.

A final dividend of up to 4p will be paid once all case matters have been concluded, to bring the estimated total final dividend to between 16p/£ and 19p/£.

Investigations

The Joint Liquidators have reviewed the affairs of the Company prior to liquidation and have also considered the points raised by creditors in discharging their duties under the Company Directors' Disqualification Act 1986.

Creditors are reminded that the Joint Liquidators have a statutory obligation to consider the directors' conduct and to submit a return/report to the Insolvency Service. The Joint Liquidators can confirm that they have complied with this requirement.

Professional Advisers

On this assignment the Joint Liquidators have used the professional advisers listed below:

Name of professional adviser	Nature of work	Basis of fee arrangement
*McGuire Woods LLP	Solicitors	Hourly rate
Croft Capital Ltd	Property agents	Percentage of realisations

** No further expenditure is anticipated*

The Joint Liquidators' choice was based upon their perception of the advisers' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them. The Joint Liquidators have reviewed the fees charged and are satisfied that they are reasonable in the circumstances of the case.

Joint Liquidators' remuneration

You may recall that during the administration, in accordance with resolutions passed at the initial creditors meeting held on 10 February 2012, the former Joint Administrators' fees were fixed under Rule 2.106 IR86 by reference to time properly given by the Joint Administrators' and their staff in attending to matters arising. In accordance with Rule 4.127 IR86, the remuneration basis agreed in the administration will continue in the liquidation.

The Joint Liquidators have drawn fees of £173,229 which related to time costs incurred in the administration and billed in the liquidation. The Joint Liquidators have drawn fees of £194,920 which relate solely to the liquidation.

Total time costs incurred in the period 29 May 2012 to 28 May 2013 are £235,781 which represents 909 hours at an average hourly rate of £259. As mentioned above, of this £194,920 has been paid, leaving a balance of £40,861 to be drawn in due course. There has been no change in the former Joint Administrators' or the Joint Liquidators' charge out rates since the rate agreed at the meeting on 10 February 2012.

It has been the Joint Liquidators' policy to delegate the routine administration of the liquidation to junior staff in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Joint Liquidators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the Joint Liquidators.

Full details of the time costs incurred and charge out rates charged to this case from 29 May 2012 to 28 May 2013, by work category, are attached at appendix B, together with details of scale rates. Specialist departments within PricewaterhouseCoopers LLP, such as tax, VAT, property and pensions, sometimes charge a small number of hours should the Joint Liquidators require their expert advice, details of which can also be found at appendix B.

Joint Liquidators' disbursements

The Joint Liquidators' have paid disbursements of £1,989 (net of VAT) relating to disbursements incurred in the administration, and £739 in respect of disbursements incurred in the liquidation (29 May 2012 to 28 May 2013).

Total disbursements incurred in the liquidation are £852 leaving a balance of £113 still to be paid. These are shown on the attached receipts and payments account at appendix A, and explained below.

Category 1 disbursements

Total category 1 disbursements incurred in the period 29 May 2012 to 28 May 2013 are £300, of which £241 has been paid, leaving a balance of £59.

Category 2 disbursements

The Joint Liquidators' current disbursements policy, as approved by the creditors, is as follows:

- 1 Photocopying at 4 pence per sheet copied, only charged for circulars to creditors and other bulk copying,
- 2 Mileage at a maximum of 67 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc).

All other disbursements are reimbursed at cost (see category 1 disbursements above).

The Joint Liquidators have incurred £552 in respect of category 2 disbursements in the period 29 May 2012 to 28 May 2013, of which £498 has been paid, leaving a balance of £54.

Statement of expenses

The following expenses (net of VAT) have been incurred during the period of the report, and payment is being made after 29 May 2013.

Expense	£
Category 1 disbursements	59
Category 2 disbursements	54
BT	2,419
Alphabet vehicle leasing	2,006
Lex Autolease	5,900
Commissions payable on debtor collection	12,221
Joint Liquidators' remuneration	40,861
Total	63,520

There are a number of supplier accounts from the trading period (December 2011 to March 2012) which have taken some time to agree. However, amounts due have now been confirmed and settlement of these accounts is imminent.

Additional information

If any creditor requires further explanations on any aspect of the Joint Liquidators' progress report, then please telephone or write to Conal McPhillips, telephone 020-7212-6755, PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT, conal.mcphillips@uk.pwc.com, who will be pleased to deal with such enquiries. However, any request for further information regarding the Joint Liquidators' remuneration or disbursements should be made in writing (Rule 4.49E).

In addition, should any creditor consider the Joint Liquidators' remuneration and disbursements to be excessive or inappropriate, they have the right to challenge the amounts in accordance with Rule 4.131 IR86.

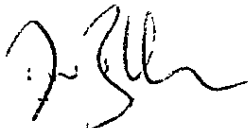
Creditors' rights

A statement of creditors' rights in relation to the Joint Liquidators' remuneration and expenses pursuant to IR86 is attached at appendix C.

Next report and enquiries

The Joint Liquidators' will circulate their next report in 12 months' time or at the conclusion of the liquidation, whichever is earliest. If any creditor has any enquiries in the meantime, please contact Conal McPhillips as above.

Signed



D R Baxendale
Joint Liquidator

David Robert Baxendale and Zelf Hussain were appointed as Joint Liquidators of MRGB Realisations Limited on 29 May 2012. David Robert Baxendale and Zelf Hussain are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The Joint Liquidators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the liquidation.

MRGB Realisations Ltd – in liquidation

Appendix A

Receipts and payments account for the period 29 May 2012 to 28 May 2013

Receipts	£	Notes
Release of funds to liquidator	3,663,221	
Freehold property	3,450,000	
Rental income	205,344	
Book debts	152,152	1
Gross interest received	10,786	
Employee-related Costs	8,809	
Total receipts	7,490,312	
Payments		
Balance of Joint Administrators' remuneration	173,229	2
Joint Liquidators' remuneration	194,920	
Balance of Joint Administrators' disbursements	1,989	2
Joint Liquidators' disbursements	739	
Legal fees & expenses - Administration	104,709	3
Legal fees & expenses - Liquidation	190,012	3
Insurance	98,056	
Utilities	15,722	
Agents' fees	8,068	
Cash held by property manager	37,985	4
Purchases	5,497	5
Professional fees	1,581	
Statutory advertising	936	
Storage costs	576	
Bank charges	403	
Net VAT	66,711	
Total payments	901,133	
Balance in hand	6,589,179	

Notes

- 1 Of book debts totalling £152,152 collected in the liquidation, £107,236 related to the pre administration period, and £44,916 related to the post appointment administration period
- 2 This represents office holder's fees, and disbursements, incurred in the administration but drawn in the liquidation
- 3 Legal fees & expenses totalling £104,709 incurred in the administration were paid in the liquidation. Legal fees & expenses incurred in the liquidation were £190,012
- 4 The property manager has funds in hand of c £41,800 comprising an initial transfer of £37,985, plus c £3,800 which will be paid over to the Joint Liquidators shortly
- 5 Finalising trading accounts

MRGB Realisations Ltd – in liquidation

Appendix B

Information in support of the Joint Liquidators' time costs from 29 May 2012 to 28 May 2013

Charging and disbursement policy

Scale rates for non specialist staff

The scale rates were fixed and agreed at the meeting of creditors on 10 February 2012, and no changes have been made in the course of either the administration or the liquidation. These are set out below.

Grade	£
Partner	584
Director	513
Senior Manager	395
Manager	332
Senior Associate - qualified	278
Senior Associate - unqualified	206
Associate	177
Support staff	88

Scale rates for specialist staff

The rates for specialist departments were also fixed and agreed at the meeting on 10 February 2012, and no changes have been made in the course of either the administration or the liquidation. These are set out below.

Grade	£
Partner	823
Director	748
Senior Manager	698
Manager	458
Senior Associate - qualified	311
Senior Associate - unqualified	
Associate	181
Support staff	88

Disbursements incurred in the period 29 May 2012 to 28 May 2013

Disbursement	£
Category 1	300
Category 2	
Mileage	-
Printing & Photocopying	552
Total	852

Disbursements policy

Photocopying	At 4 pence per sheet copied, only charged for circulars to creditors and other bulk copying
Mileage	At a maximum of 67 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc)

MRGB Realisations Ltd – in liquidation

Appendix B (cont'd)

Analysis of the Joint Liquidators' time costs for the period 29 May 2012 to 28 May 2013

	Partner / Director (Hrs)	Senior Manager / Manager (Hrs)	Senior Associate (Hrs)	Associate / Support (Hrs)	Total Hours (Hrs)	Time Cost (£)	Average Hourly rate (£)
Accounting and Treasury	3 50	11 35	14 10	150 15	179 10	35,129 45	196 14
Claims Agreement and Creditor Enquiries	10 75	28 65	55 35	187 20	281 95	60,507 55	214 60
Employees	18 60	14 30	-	-	32 90	14,541 40	441 99
Other Assets	1 50	4 35	-	4 00	9 85	2,968 95	301 42
Pensions	9 15	12 90	-	1 75	23 80	13,969 55	586 96
Property	24 40	35 40	-	0 10	59 90	24,287 70	405 47
Statutory and Other Compliance	3 00	11 10	2 25	57 80	74 15	16,125 80	217 48
Strategy, Planning and Administration	8 00	20 60	3 50	27 45	59 55	16,948 85	284 62
Tax / VAT	3 70	21 40	63 80	88 05	176 95	49,069 95	277 31
Trading	-	-	2 30	9 00	11 30	2,232 40	197 56
Total Hours (Hrs)	82 60	160 05	141 30	525 30	909 45	235,781 60	259 26
Total time cost (£)	45,246 80	61,340 55	36,166 80	93,027 45			
Average hourly rate (Hrs)	547 78	383 26	255 96	177 03			

MRGB Realisations Ltd – in liquidation

Appendix B (cont'd)

Narrative of tasks performed by the Joint Liquidators' and their staff for the period 29 May 2012 to 28 May 2013

The key areas of work have been as follows

Accounting and Treasury - £35,129 45

- Opening liquidation bank accounts,
- Processing receipts and payments to / from liquidation account, and updating accounting system

Claims Agreement and Creditor Enquiries - £60,507 55

- Recording claims received and dealing with general creditor enquiries,
- Reviewing claims and requesting / analysing supporting documentation,
- Agreeing creditor claims,
- Discussions with key creditors

Employees- £14,541 40

- Dealing with all employee queries,
- Agreeing employee unsecured claims,
- Preparing statutory and other correspondence to former and retained employees,
- Attendance at employment tribunal,
- Dealing with residual employee matters

Other Assets – £2,968 95

- Pursuing outstanding debtors for payment,
- Liaising with third party debt collector,
- Collection of the Company's book debts, subsequent book debt collection,
- Entering into correspondence with the Company's debtors,
- Monitoring book debt collection and resolving disputes

Pensions - £13,969 55

- Liaison with the PPF and trustees,
- Agreement of PPF creditor claims

Property - £24,287 70

- Instructing agents to deal with the ongoing tenants and manage the property prior to sale,
- Sale of the property

Statutory and Other Compliance - £16,125 80

- Complying with the Liquidators' obligations under the Company Directors' Disqualification Act 1986,
- Preparation and circulation of statutory notices and letters,
- Safeguarding the Company's hard copy books and records,
- Reviewing statutory bonds for the Liquidators,
- Liaison with brokers and previous insurers regarding insurance cover for the Company's assets;
- Reviewing the insurance position following sale of property

MRGB Realisations Ltd – in liquidation

Appendix B (cont'd)

Strategy, Planning and Administration - £16,948.85

- Preparation and periodic updating of strategy documents for review and discussion by the Liquidators,
- Regular review of the status of the property,
- Ongoing review of the status of individual tasks,
- Review of junior staff correspondence,
- Sundry tasks not covered under other headings

Tax / VAT - £49,069 95

- Notifying the taxation authorities of the Joint Liquidators' appointment,
- Tax compliance for property sale,
- Sourcing documents in support of final pre-appointment corporation tax returns,
- Preparing post appointment tax computations,
- Preparing and submitting the post appointment VAT returns

Trading - £2,232 40

- Dealing with residual trading matters including settling accounts with former suppliers

MRGB Realisations Ltd – in liquidation

Appendix C

Statement of Creditors' Rights

The IR86 provide for creditors to request further information and challenge the Administrators' remuneration and expenses

The relevant provisions are as follows -

Rule 2 48A Creditors' request for further information

(1) If—

- (a) within 21 days of receipt of a progress report under Rule 2 47—
 - (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 that period of 21 days, any unsecured creditor,

makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)

(2) The administrator complies with this paragraph by either—

- (a) providing all of the information asked for, or
- (b) so far as the administrator 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 administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,giving reasons for not providing all of the information.

(3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—

- (a) the giving by the administrator 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.

(4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just "

MRGB Realisations Ltd – in liquidation

Appendix C (cont'd)

Rule 2 109 Creditors' claim that remuneration is or other expenses are excessive

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured 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 may be made on the grounds that—

- (a) the remuneration charged by the administrator,
- (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
- (c) expenses incurred by the administrator,

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 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report 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 sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, 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 administrator 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 administrator 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 administration,
- (e) an order that the administrator or the administrator'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 administration