

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)

We (b) David Robert Baxendale and Zelf Hussain of
PricewaterhouseCoopers LLP, 7 More London Riverside, London,
SE1 2RT

and address(es)

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 2013
to 28 May 2014.

Signed

Date

14th July 2014Presenter's name,
address and
reference
(if any)

TUESDAY



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15/07/2014

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COMPANIES HOUSE



Second report to members & creditors

11 July 2014

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**

Dividends	*Current estimate p in the £	Dividends paid p in the £
Unsecured	17-19 p/£	17 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’ second report to members and creditors for the period 29 May 2013 to 28 May 2014

In accordance with Rule 4.49C of the Insolvency Rules 1986 (“IR86”), this is the Joint Liquidators’ second 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 realisation of all of the Company’s assets has been completed.

Rental Income

All funds held by the Company’s managing agents, Croft Capital Ltd, in respect of the administration of the property have been accounted for in the liquidation and no other funds are held by them.

Resolution of Final Matters

Rent deposit deed

Following the sale of the Property, steps have been taken to transfer the benefit of a rent deposit deed in respect of one of the leases associated with the Property to the new freehold owner. The Company is obligated to carry out this task, and it is anticipated that the assignment will be completed by the end of July 2014.

Tax clearance

The final corporation tax computation and request for tax clearance from HM Revenue & Customs was submitted soon after the period covered in this report. The work by our tax specialists enabled the tax provision of £40,000 to be released. Tax clearance was granted by HM Revenue & Customs in early July 2014.

Outcome for Creditors

Preferential / secured creditors

There are no preferential or secured creditors.

Unsecured creditors

Creditors will recall that the Joint Liquidators declared and paid a first interim distribution in August 2013 of 17p/£ to all unsecured creditors.

Subject to resolution of outstanding matters and payment of the final costs and expenses of the liquidation, the Joint Liquidators anticipate that there will be sufficient funds available to enable them to declare and pay a second and final dividend of approximately 2p/£ to unsecured creditors. A notice of intended dividend will be issued in due course.

Investigations

As previously reported, 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

During the period of this report, the Joint Liquidators have used professional advisors as explained below

Name of professional advisor	Nature of work	Basis of fee arrangement
ASB Law LLP	Solicitors	Hourly rate

The Joint Liquidators' choice was based upon their perception of the advisors 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

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 continued in the liquidation

Total time costs incurred in the period 29 May 2013 to 28 May 2014 are £118,921 which represents 532 hours at an average hourly rate of £223, of which £63,475 has been drawn and £55,446 remains to be paid. Total fees drawn by the Joint Liquidators for the liquidation are £302,431. 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 2013 to 28 May 2014 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 £318.30 (net of VAT) in the period of this report (29 May 2013 to 28 May 2014)

Total disbursements incurred in the liquidation are £1,170.30. 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 2013 to 29 May 2014 are £26 75 (net of VAT), which has been paid in full.

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 category 2 disbursements of £291 55 in the period 29 May 2013 to 28 May 2014, which have not yet been paid

Statement of expenses

The following expenses (net of VAT) have been incurred during the period of the report, and payment is being made after 28 May 2014

Expense	£
ASB Law (rent deposit deed)	831
Joint Liquidators' remuneration	55,446
Total	56,277

Additional information

Any creditor has the right to request further information from the Joint Liquidators with regard to any part of this report (Rule 4 49E IR1986), in addition, should any creditor considers 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

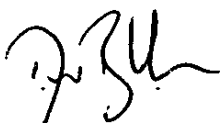
Creditors' rights

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

Enquiries

The Joint Liquidators will circulate their final report at the conclusion of the liquidation. If any creditor has any enquiries in the meantime, please contact Conal McPhillips on 020-7212-6755 or conal.mcphillips@uk.pwc.com

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 2013 to 28 May 2014

Receipts	29 May 2013 - 28 May 2013	29 May 2013 - 28 May 2014	As at 28 May 2014	Notes
Release of funds to liquidator	3,663,221	1,613	3,664,834	
Freehold property	3,450,000	-	3,450,000	
Rental income	205,344	335,172	540,516	1
Book debts	152,152	2,952	155,104	
Gross interest received	10,786	6,151	16,937	
Employee-related Costs	8,809	342	9,151	
Insurance refund	-	15,379	15,379	
Cash held by property manager	-	47,985	47,985	2
Purchases (recharged)	-	14,519	14,519	3
Total receipts	7,490,312	424,113	7,914,425	
Payments				
Balance of Joint Administrators remuneration	173,229	-	173,229	
Joint Liquidators' remuneration	194,920	107,511	302,431	
Balance of Joint Administrators' disbursements	1,989	-	1,989	
Joint Liquidators' disbursements	739	54	793	
Legal fees & expenses - Administration	104,709	-	104,709	
Legal fees & expenses - Liquidation	190,012	-	190,012	
Insurance	98,056	-	98,056	
Utilities	15,722	25,335	41,057	
Agents' fees	8,068	122,696	130,764	
Cash held by property manager	37,985	10,000	47,985	2
Purchases	5,497	60,796	66,293	
Professional fees	1,581	24,612	26,193	
Statutory advertising	936	75	1,011	
Storage costs	576	2,052	2,628	
Bank charges	403	125	528	
Rental Income	-	197,121	197,121	
Third party funds	-	1,613	1,613	
Book debts	-	2,827	2,827	
Corporation Tax	-	13,956	13,956	
Employee-related Costs	-	2,372	2,372	
Net VAT	66,711	13,475	80,186	
Unsecured creditors	-	5,539,298	5,539,298	4
Total payments	901,133	6,123,918	7,025,051	
Balance in hand	6,589,179	(5,699,805)	889,374	

Notes

- 1 Includes monies received from tenants in respect of rates which were later refunded for tenants to make payment directly to the local authority Also includes monies collected from tenants as recharges for utilities
- 2 The balance of funds held by the property manager has been accounted for and no further funds are held by third parties
- 3 Includes monies received from tenants and the purchasers of the business as recharges for lease charges, telephone costs and motor expenses
- 4 The first distribution to unsecured creditors of 17 p/£ was paid in August 2013

MRGB Realisations Ltd – In Liquidation

Appendix B – Information in support of the Joint Liquidators' time costs from 29 May 2013 to 28 May 2014

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	311
Associate	181
Support staff	88

Disbursements incurred in the period 29 May 2013 to 28 May 2014

Disbursement	£
Category 1	26 75
Category 2	
Mileage	-
Printing & Photocopying	291 55
Total	318.30

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 2013 to 28 May 2014

	Partner / Director (Hrs)	Senior Manager / Manager (Hrs)	Senior Associate (Hrs)	Associate / Support (Hrs)	Total Hours (Hrs)	Time Cost (£)	Average Hourly rate (£)
Accounting and Treasury	-	9 25	27 50	83 20	119 95	22,413 95	186 86
Claims Agreement, Distributions and Creditor Enquiries	-	19 80	5 80	57 70	83 30	18,174 00	218 18
Employees	-	-	-	-	-	-	-
Other Assets	-	-	-	0 80	0 80	141 60	177 00
Pensions	-	-	-	0 60	5 50	2,810 50	511 00
Property	2 20	1 20	1 50	6 10	6 40	1,179 30	184 27
Statutory and Other Compliance	-	0 30	-	72 00	86 15	18,426 05	213 88
Strategy, Planning and Administration	5 15	8 00	1 00	62 92	83 02	19,505 39	234 95
Tax / Vat	4 10	15 35	0 65	96 05	147 65	36,270 45	245 65
Total Hours (Hrs)	12 55	66 60	74 25	379 37	532 77	118,921 24	223 21
Total time cost (£)	5,412 20	17,929 60	18,235 40	67,336 29			
Average hourly rate (Hrs)	431 25	269 21	245 59	177 50			

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 2013 to 28 May 2014

The key areas of work have been as follows

Accounting and Treasury - £22,413

- Processing receipts and payments to / from liquidation account, and updating accounting system,
- Reviewing and agreeing recharges from the purchasers of the business and facilitating payment

Claims Agreement and Creditor Enquiries - £18,174

- Recording claims received and dealing with general creditor enquiries,
- Reviewing claims and requesting / analysing supporting documentation,
- Discussions with creditors and agreeing creditor claims,
- Preparing and issuing statutory notices in respect of the first distribution to unsecured creditors,
- Calculating, declaring and issuing the first interim distribution,
- Dealing with unclaimed dividends,
- Preparing outcome statements and pre-planning for second and final distribution,
- Undertaking review of files in preparation for case closure

Other Assets – £141

- Review of correspondence from debtor entities in insolvency proceedings and assessment of likelihood of recovery

Pensions - £2,810

- Reviewing time costs and finalising billing

Property - £1,179

- Liaising with managing agents for details of receipts and payments,
- Collating information for assignment of rent deposit deed, reviewing costs estimate for the same,
- Following up with legal advisors to expedite completion of the assignment

Statutory and Other Compliance - £18,426

- Preparation and circulation of statutory notices and letters;
- Review and update of case files per regulatory requirements and in anticipation of case closure

Strategy, Planning and Administration - £19,505

- Preparation and periodic update of strategy documents for review by the Liquidators,
- Regular review of the status of the case,
- Ongoing review of the status of individual tasks,
- Review of junior staff work,
- Sundry tasks not covered under other headings

Tax / VAT - £36,270

- Sourcing documents in support of corporation tax returns,
- Preparing post appointment tax computations,
- Preparing and submitting the post appointment VAT returns

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