

## The Insolvency Act 1986

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

To the Registrar of Companies

For official use

--	--	--

Company Number

01975246

Name of Company

(a) Insert full  
name of  
company

Myrrh Limited

(b) Insert full  
name(s) and  
address(es)I Richard Rones of ThorntonRones, 311 High Road, Loughton,  
Essex, IG10 1AH,the liquidator of the company attach a copy of my Progress Report  
under section 192 of the Insolvency Act 1986

The progress report covers the period from 16/01/2015 to 15/01/2016

Signed




Date

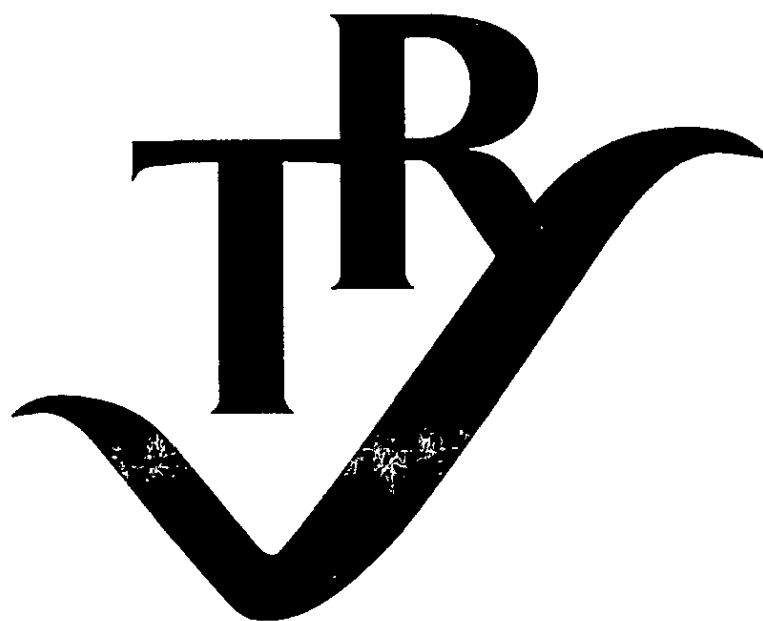
8/3/16

Presenter's  
name, address  
and reference  
(if any)ThorntonRones Limited  
311 High Road  
Loughton  
Essex  
IG10 1AH

For Official Use

FRIDAY		
	*A52INWNU*	
	A05	11/03/2016 #36
	COMPANIES HOUSE	

**Myrrh Limited  
In Liquidation**



**Liquidator's Annual Progress Report to  
Creditors & Members**

**8 March 2016**

## **CONTENTS**

- 1 Introduction and Statutory Information
- 2 Realisation of Assets
- 3 Investigations
- 4 Creditors
- 5 Liquidator's Remuneration
- 6 Liquidator's Expenses
- 7 Creditors' Rights
- 8 Next Report

## **APPENDICES**

- A Receipts and Payments Account from 16 January 2015 to 15 January 2016
- B Time Analysis for the period 16 January 2015 to 15 January 2016
- C Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

## **1 Introduction and Statutory Information**

- 1 1 I, Richard Rones of ThorntonRones, 311 High Road, Loughton, Essex IG10 1AH, was appointed as Liquidator of Myrrh Limited (the **Company**) on 16 January 2015. This report provides an update on the progress in the liquidation for the year ended 15 January 2016.
- 1 2 The principal trading address of the Company was 52 Ossory Road, London SE1 5AN.
- 1 3 The registered office of the Company has been changed to 311 High Road, Loughton, Essex IG10 1AH and its registered number is 01975246.

## **2 Realisation of Assets**

- 2 1 Attached at Appendix A is my Receipts and Payments Account for the period from 16 January 2015 to 15 January 2016.

### ***Leasehold Property***

- 2 2 The Statement of Affairs ("SoA") advised creditors that Unity Trust Bank (who held a fixed and floating charge over the Company's leasehold property) appointed GVA Grimley Limited ("GVA") as LPA receiver of the property situated at 52 Ossory Road, London SE1 5AN ("the Property") on 14 January 2015.
- 2 3 It was estimated in the SoA that the property had a market value of £550,000 and Unity Trust Bank had a liability of £198,898. Following a full and open marketing campaign GVA accepted an offer of £841,000 in May 2015.
- 2 4 To date an interim distribution has been received into the liquidation account in the sum of £500,000. I have been advised by GVA that a final distribution will be received shortly upon completion of their administrative duties. It is estimated that this distribution will be in the region of £95,000.

### ***Furniture and Equipment***

- 2 5 The SoA indicated that the Company had furniture and equipment with an estimated realisable value of £4,424.
- 2 6 Following my appointment I instructed AgentCite Limited, an experienced firm of Insolvency agents, who attended the Company's three trading premises to collect and sell the assets.
- 2 7 Unfortunately, the landlord of the Brass Tacks Training Centre changed the locks to the premises prior to my appointment preventing AgentCite from accessing the assets on site.

- 2 8 AgentCite successfully marketed the workshop equipment located at the Ossory Road premises and agreed a sale for the sum of £2,010. Unfortunately however prior to the equipment being collected and the sale completing, the LPA receiver changed the locks to the premises preventing AgentCite access.
- 2 9 Shortly after this the property had been sold and AgentCite were advised that this included the contents. As a result the sale was unable to be completed.
- 2 10 In addition to this a number of the assets believed to be unencumbered prior to my appointment, were confirmed as assets subject to finance agreements. Unfortunately, as a result there was no surplus available to the liquidation from any of the Company's financed assets.
- 2 11 Since instructing AgentCite Limited they have unfortunately ceased to trade. This matter has since been passed to Porter and Associates Limited another firm of experienced Insolvency agents.
- 2 12 The sale of the furniture and equipment has now been completed for the sum of £1,200. I am now awaiting Porter and Associates final account in this regard.

#### ***Book Debts***

- 2 13 The directors advised at the date of liquidation that the Company had one outstanding debtor in the sum of £83,039. The debtor who was a college that subcontracted learners to the Company, requested time to allow for a full reconciliation of their student records before they could agree to settle the outstanding debt.
- 2 14 I have been in correspondence with the debtor since my appointment and I have recently received confirmation in writing that they have carried out their full reconciliation, and will be settling the sum of £83,039.05. To date the funds have not been received, therefore I have since given them a deadline to make the payment in full before legal proceedings are undertaken.

### **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.
- 3 2 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the

initial meeting or as a response to my request to complete an investigation questionnaire My investigations have not revealed any issues requiring further report

#### **4 Creditors**

##### *Secured Creditors*

- 4 1 The Unity Trust Bank holds a fixed and floating charge over the Company's leasehold premises as detailed at section 2 2 above At the date of liquidation their indebtedness was £198,898 Following the sale of the property the bank have been repaid in full

##### *Preferential Creditors*

- 4 2 I have recently received the final claim of the Redundancy Payments Office ("RPO") in the sum of £13,657 50 I will be instructing an Employee specialist to agree the preferential claim of the RPO and the residual preferential claims of the employees as I am now in a position to make a distribution to preferential creditors

##### *Unsecured Creditors*

- 4 3 I have received claims totalling £379,177 56 from ten creditors I have yet to receive claims from eighteen creditors whose debts total £27,940 as per the directors' statement of affairs
- 4 4 I anticipate making a first distribution to unsecured creditors once I have paid the preferential distribution
- 4 5 I have enclosed a Statement of Claim form for those who have yet to register their claim Alternatively, I should be obliged if you would inform me if you have no claim in the liquidation

#### **5 Liquidator's Remuneration**

- 5 1 The creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation
- 5 2 My time costs for the period from 16 January 2015 are £18,276 50 This represents 86 75 hours at an average rate of £211 per hour Attached as Appendix C 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 by me in managing the Liquidation To date, £18,250 plus disbursements of £3,059 07 has been drawn on account
- 5 3 I provide below a brief outline of the work undertaken under each respective time code heading

#### Administration & Planning/Case Specific

A total of 26 15 hours has been spent by the Liquidator and his staff under this heading. The type of work undertaken relates mainly to the completion of statutory paperwork and all associated case administration, these tasks include

- Collating creditor information and inputting the same onto IPS,
- Preparing notification to creditors,
- Setting up case and cash files,
- Advertising of the Liquidator's appointment,
- Notifying all relevant parties of the Liquidator's appointment,
- Requesting submission of relevant information from directors,
- Arranging for insurances and bonding of assets where required and completing all associated paperwork
- Cashiering Duties,

These tasks were assigned to members of staff depending upon their relevant experience and knowledge, however the majority of the statutory paperwork was completed by the case manager with all other tasks mainly undertaken by administrators and support staff.

#### Creditors

A total of 13 30 hours has been spent by the Liquidator and his staff under this heading. This time has been spent specifically dealing with creditors and their enquires.

Whilst standard enquires and tasks in this respect have been managed by support staff, the majority of creditor contact has been dealt with by the case manager and, in exceptional circumstances, the Liquidator.

#### Realisation of Assets

A total of 20 30 hours has been spent by the Liquidator and his staff under this heading.

Work in this respect has mainly been conducted by the case manager and junior professional staff, who have in main undertaken the following tasks,

- Review of the Company asset register,
- Pursuing the outstanding debtors
- Liaising with agents

### Investigation

A total of 16 80 hours has been spent by the Liquidator and his staff under this heading

Work in this respect has mainly been conducted by the case manager who has in main undertaken the following tasks,

- Pursued submission of Books and Records,
- Reviewed Accounts,
- Reviewed Bank Statements,
- Reviewed Creditor Statements,
- Prepared schedules of findings,
- Prepared a report under the Company Directors Disqualification Act 1986,
- Liaising with the Insolvency Service

5 4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.icaew.com/en/technical/insolvency/creditors-guides](http://www.icaew.com/en/technical/insolvency/creditors-guides)

5 5 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade

5 6 Since the date of my appointment the following Category 2 disbursements have been incurred

Disbursement	Total amount incurred to date £	Amount incurred in this period £	Paid to date £	Amount Outstanding £
Internal Photocopying	0 90	0 90	0 00	0 90
Travel	76 35	76 35	76 35	0 00

## 6 Liquidator's Expenses

The following table outlines the expenses that have been incurred to date since my appointment as Liquidator and during the period of this report

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
AUA Insolvency Risk Solutions	Specific Bond	816 00	816 00	0 00
TMP	Statutory Advertising	548 43	548 43	0 00
Payco ERA Ltd	Assistance with employee claims	976 98	976 98	0 00
Total Data Management Ltd	Storage Costs	641 41	641 41	0 00
Total		2,982 82	2,982 82	0 00



## **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 two 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 progress report ahead of convening the final meeting of creditors

Yours faithfully



**Richard Rones**  
Liquidator

Enc

**Myrrh Limited  
(In Liquidation)**

**Liquidator's Abstract of Receipts & Payments**

**16 January 2015 to 15 January 2016**

	Statement of Affairs £	Total £
<b>RECIEPTS</b>		
Property (52 Ossory Road London)	541,600 00	500,000 00
Furniture & Equipment	4,424	-
Book Debts	66,432 00	-
Utility Refund	-	684 37
Bank Interest Gross	-	533 54
	<u>612,456 00</u>	<u>501,217 91</u>
 <b>PAYMENTS</b>		
Specific Bond		816 00
Preparation of S of A		8,000 00
Office Holders Fees		18,250 00
ERA Costs		976 98
VAT Irrecoverable		4,142 22
Travel Costs		76 35
Storage Costs		641 41
Statutory Advertising		548 43
		<u>33,451 39</u>
 <b>BALANCE</b>		<u><u>467,766.52</u></u>

# Time Entry - SIP9 Time & Cost Summary

## APPENDIX B

M188 - Myrrh Limited  
All Post Appointment Project Codes  
To 16/01/2016 to 15/01/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.70	1.50	12.75	10.20	26.15	4,799.80	183.55
Case Specific Matters	0.90	0.00	9.10	0.00	10.00	2,223.50	222.35
Creditors	0.40	0.00	13.40	0.00	13.80	3,033.00	219.78
Investigations	0.20	0.80	15.80	0.00	16.80	3,709.00	220.77
Realisation of Assets	1.60	0.00	18.40	0.30	20.30	4,592.20	226.22
Trading	0.00	0.00	0.80	0.00	0.80	172.00	215.00
<b>Total Hours</b>	<b>4.80</b>	<b>2.30</b>	<b>70.25</b>	<b>10.50</b>	<b>87.85</b>	<b>18,529.50</b>	<b>210.92</b>
<b>Total Fees Claimed</b>						<b>18,250.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

## Appendix C

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

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

##### 1 Policy

Detailed below is ThorntonRones Limited 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, Manager, Administrator and/or an Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case

On this case we are proposing to use the services of the following sub-contractors

Service (s)	Provider	Basis of fee arrangement	Cost to date
Employee claims processing	Payco ERA Ltd	Hourly Rate	976.98
Storage Charges	Total Data Management Limited	Fixed fee per storage box	641.41

##### 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
AgentCite Limited (valuation and disposal advice)	Percentage of realisations, hourly rate and disbursements
Porter and Associates Limited (valuation and disposal advice)	Percentage of realisations, hourly rate and disbursements
AUA Insolvency Risk (insurance)	Specific Bond

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 are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

On this case the following Category 2 disbursements have been incurred since my appointment

Type and purpose	£
Photocopying	0 90
Travel	76 35
Total	77 25

**MYRRH LIMITED**

**CREDITOR'S STATEMENT OF CLAIM**

Name and address of creditor

---

---

---

---

Amount claimed in the proposed liquidation  
(Including VAT)

£ 

---

Signature of creditor

---

Name of creditor

---

Telephone

---

Fax

---

E-mail

---

Date

---

 / 

---

 / 

---

Please provide appropriate documentation in support of your claim

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994

Please return this form when you have completed it to ThorntonRones Limited, 311 High Road, Loughton, Essex, IG10 1AH

---

Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 Value Added Tax Act 1994. In broad terms relief is available when the debt is six months old and "written off" by the creditor entering it on his VAT refunds-for-bad-debts-account

Claims lodged in the liquidation should be gross, including any VAT element. If/when dividends are paid, creditors who have claimed VAT bad debt relief must apportion the dividend between VAT and the net element of their claim and account to HM Revenue & Customs for the VAT element through their VAT return.

Insolvency practitioners have no role in administering VAT bad debt relief under the Value Added Tax Act 1994. Creditors who are uncertain how to claim should contact their VAT office or take professional advice.