

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

03059709

Name of Company

Madiran Limited

 We

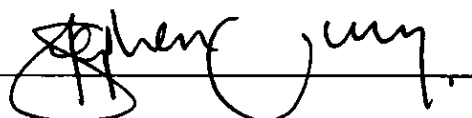
Stephen Gerard Clancy, The Chancery, 58 Spring Gardens, Manchester, M2 1EW

Sarah Helen Bell, The Chancery, 58 Spring Gardens, Manchester, M2 1EW

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 15/01/2014 to 14/01/2016

Signed



Date

4/3/2016

Duff & Phelps Ltd
The Chancery
58 Spring Gardens
Manchester, M2 1EW

Ref 40175C/SUC/SB/MYL/JH/EB/PUB



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COMPANIES HOUSE

Progress Report to Creditors Madiran Limited (In Creditors' Voluntary Liquidation)

4 March 2016

*Joint Liquidators' Progress Report to Creditors
For the period from 15 January 2015 to 14 January 2016
Pursuant Section 104A of the Insolvency Act 1986 (as amended)
And Rule 4.49C of the Insolvency Rules 1986 (as amended)*

**Duff & Phelps Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW**

Definitions

Word or Phrase	Definition
the Appointment Date	15 January 2014, being the date of appointment of the Joint Liquidators
the Bank, Santander or the Secured Creditor	Santander UK Plc, with whom the Company banked and the holder of a fixed and floating charge over the Company's assets
the Company	Madiran Limited (In Creditors' Voluntary Liquidation) (Company Number 03059709)
CVL	Creditors' Voluntary Liquidation
DBIS	The Department for Business Innovation and Skills
the Directors	Mr Gerry Goodwin and Mrs Wendy Goodwin, the directors of the Company
HMRC	HM Revenue and Customs
the Joint Liquidators	Stephen Clancy and Sarah Bell of Duff & Phelps Ltd , The Chancery, 58 Spring Gardens, Manchester, M2 1EW
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
Final Progress Report	The Joint Administrators' final report to creditors dated 13 March 2015
Relevant Date	21 January 2013, being the date the Company entered into Administration
the Reporting Period	the period 15 January 2015 to 14 January 2016
the Rules	The Insolvency Rules 1986 (as amended)
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SIP 13	Statement of Insolvency Practice 13 - Industry best practice for Insolvency Practitioners regarding the acquisition of assets of insolvent companies by Directors
SOA	Statement of Affairs, documentation supplied by the Director outlining the Company's financial position as at the Appointment Date
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006

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- 1 Joint Liquidators' Receipts and Payments Account
- 2 Analysis of Time Charged and Expenses Incurred

1. Introduction

- 1 1 The Joint Liquidators were appointed on the Appointment Date following the Company's move from Administration to CVL pursuant to Paragraph 83 of Schedule B1 to the Act
- 1 2 The purpose of this progress report is to detail the Joint Liquidators' acts and dealings together with the conduct of the Liquidation during the Reporting Period
- 1 3 This report should be read in conjunction with the Final Progress Report

2. Background

- 2 1 Stephen Clancy and Sarah Bell were appointed Joint Liquidators of the Company on 15 January 2014. Duff & Phelps' address is The Chancery, 58 Spring Gardens, Manchester, M2 1EW
- 2 2 The Company's registered office is The Chancery, 58 Spring Gardens, Manchester, M2 1EW. The Company's registration number is 03059709
- 2 3 The Company's former registered office was Hoops Inn, Horns Cross, Near Clovelly, Bideford, Devon. This was also the former trading address
- 2 4 The Company's principal activity was that of a hotel and restaurant operating from freehold premises in Devon
- 2 5 The main causes of failure were outlined in the First Progress Report

3 Joint Liquidators' Receipts and Payments Account

- 3 1 A detailed Receipts and Payments Account for the Reporting Period is shown in Appendix 1. As at the period end date there was a cash balance of £10,502, of which £622 is in respect of VAT and will be reclaimed in the Liquidation

4. Asset Realisations

Transfer from the Administration

- 4 1 As detailed in the Final Progress Report to Creditors, a total of £29,057 was transferred to the Liquidation estate prior to the Reporting Period
- 4 2 No further funds are to be received from the Administration

Bank Interest

- 4 3 Gross bank interest of £18 has been realised in the Reporting Period
- 4 4 No other assets have been realised in the Reporting Period and no other assets are noted as being available to the Liquidation estate

5 Investigations

- 5 1 The directors conduct report was submitted to DBIS on 27 February 2014. The content of this report remains confidential

5 2 The Joint Liquidators' investigations into the affairs of the Company are complete. However, should any creditor have any information regarding the affairs of the Company that they wish to bring to the attention of the Joint Liquidators, please contact this office in writing.

5 3 There are no outstanding lines of enquiry.

6. Dividend Prospects / Prescribed Part

Secured Creditors

6 1 In consideration for the monies advanced under a term loan secured against the Company's trading premises, the Company granted Santander a legal charge and debenture dated 26 November 2004, which confers fixed and floating charges over all of the assets of the Company.

6 2 As at the Relevant Date, the Company's indebtedness to Santander was approximately £1,288,152 subject to accruing interest and charges. Following the trading loss of £66,204 incurred during the Administration trading period and the pre-appointment legal fees of £3,855 plus VAT and disbursements that were paid by the Bank, the total indebtedness to Santander was £1,358,982.

6 3 Please refer to the First Progress Report for a detailed description of distributions made to Santander prior to the Reporting Period.

6 4 Following the completion of the Prescribed Part distribution noted below, the Joint Liquidators have made a final distribution of £7,720 to Santander under their floating charge. This distribution is reflected in the Joint Liquidators' Receipts and Payments Account at Appendix 1.

6 5 Total distributions to Santander are £632,720 over the Administration and Liquidation and no further distribution will be made to them.

Preferential Creditors

6 6 Pursuant to the Directors' SOA, the estimated preferential claims were nil.

6 7 As noted in the First Progress Report, a full review of all preferential claims was undertaken and a final claim to rank in the Liquidation was agreed at £252.

6 8 A preferential dividend was declared on 29 July 2014 and the balance of £252 was distributed to preferential creditors, representing a dividend of 100 pence in the pound.

Prescribed Part

6 9 The Joint Liquidators declared a Prescribed Part dividend on 3 February 2015. The value of the Prescribed Part fund was £10,068.

6 10 Following the deduction of £2,500 of time costs in connection with the adjudication of claims, a total of £7,586 was distributed to creditors. This represents a distribution of 0.88 pence in the pound.

6 11 This dividend is reflected in the Joint Liquidators' Receipts and Payments Account at Appendix 2.

6 12 No further distribution will be made to non-preferential creditors.

Non-Preferential Creditors

- 6 13 According to the Directors' SOA, non-preferential creditors totalled £823,603
- 6 14 The Joint Liquidators adjudicated on a number of claims in order to make a distribution to non-preferential creditors from the Prescribed Part. The analysis of this adjudication is noted below

Creditor	Number of agreed Claims	Agreed Claim (£)
Trade & Expense Creditors	40	52,474
Employee Claims	2	13,608
HMRC	1	238,784
Directors Loan Account	1	559,227
Total	44	864,093

- 6 15 The agreement of the above claims represented a distribution of £0.88 pence in the pound to non-preferential creditors. No further distribution will be made to non-preferential creditors.

7. Joint Liquidators' Costs and Expenses

- 7 1 The basis of the Joint Liquidators' remuneration was fixed on the basis of time properly charged and approved by the Secured Creditor in the Administration on 13 March 2013. This resolution was carried into the Liquidation of the Company in accordance with Rule 4.127(5A) of the Rules.
- 7 2 The time costs charged in the Reporting Period are as analysed at Appendix 2. Time has been charged in six minute units. The total time costs incurred by the Joint Liquidators to the end of the Reporting Period are £9,107.
- 7 3 In accordance with SIP 9, the Joint Liquidators have provided creditors with additional information regarding major areas of time during the Reporting Period as follows:
- Time costs of £2,249 have been incurred under the heading Case review and Case Diary Management. This relates to completing regular case reviews in accordance with internal procedures and managing the case diary to ensure that all statutory and case progression matters are dealt with accordingly.
 - Time costs of £1,450 have been incurred under the heading Cashiering & Accounting. These time costs relate to dealing with the Liquidation bank account including bank reconciliations, maintaining an up to date estimated outcome statement, payments and journals for receipt of funds.
 - Time costs of £1,173 have been incurred under the heading Statutory matters (Meetings & Reports & Notices). This relates to the time spent drafting progress reports and dealing with filing requirements in the Liquidation.
 - Time costs of £3,140 have been incurred in dealing with the Prescribed Part distribution. This relates to time spent communicating with creditors and adjudicating upon claims, in order to distribute the Prescribed Part fund to the Company's non-preferential creditors.

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- 7.4 A total of £2,500 has been paid in the Reporting Period in respect of the Joint Liquidators' post appointment Prescribed Part remuneration. Details of payments are shown on the Receipts and Payments Account at Appendix 2. A proportion of the Joint Liquidators' time costs will remain unbilled in this matter.
- 7.5 It is expected the remaining funds in the Liquidation estate will be drawn as Joint Liquidators' remuneration, after the payment of all costs associated with the closure of the case. Further details of this will be included in the final report to creditors.
- 7.6 The Joint Liquidators have incurred the expenses in dealing with the Liquidation of the Company and these have been detailed at Appendix 2.
- 7.7 Information regarding the fees and disbursements of liquidators, including details of the Duff & Phelps disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Liquidators' Fees". This can be viewed and downloaded from the Joint Liquidators' website at <http://www.duffandphelps.com/uk-restructuring/creditor-guides>. Should you require a copy, please contact this office.
- 7.8 Any secured creditor, or any non-preferential creditor (with the support of at least 10% in value of the non-preferential creditors or the permission of the court), may apply to court on the grounds that the remuneration or basis fixed for the Liquidator's remuneration or the expenses incurred by the Liquidator are considered to be excessive. This application must be made no later than 8 weeks after receipt of the progress report, where the charging of the remuneration or the incurring of expenses in question occurs.

8. Further Information

- 8.1 In accordance with Rule 4.49E of the Rules, secured creditors and non-preferential creditors (with the concurrence of at least 5% in value of total non-preferential claims) may make a request in writing to the Liquidator for further information about the remuneration or expenses set out in this progress report. This should be done within 21 days of receipt of this report.

9. Conclusion

- 9.1 The Joint Liquidators will now be taking steps to close the Liquidation in the next two to three months. Therefore the next report to creditors will be the final report.
- 9.2 If you require any further information please contact James Hughes of this office.


Stephen Clancy
Joint Liquidator

Appendix 1

Joint Liquidators' Receipts and Payments Account

Madiran Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 15/01/2015 To 14/01/2016	From 15/01/2015 To 14/01/2016
ASSET REALISATIONS		
Transfer from Administration	NIL	29,056 59
Bank Interest Gross	18 35	113 18
	<u>18 35</u>	<u>29,169 77</u>
COST OF REALISATIONS		
Prescribed Part Remuneration	2,500 00	2,500 00
Liquidators' remuneration	NIL	NIL
Liquidators' Disbursements	NIL	NIL
General Consultancy	NIL	300 00
Storage Costs	NIL	57 18
Statutory Advertising	84 60	253 80
Insolvency Service	NIL	NIL
	<u>(2,584 60)</u>	<u>(3,110.98)</u>
PREFERENTIAL CREDITORS		
Employee Arrears/Hol Pay	NIL	221 24
HM Revenue and Customs	NIL	30 40
	<u>NIL</u>	<u>(251 64)</u>
FLOATING CHARGE CREDITORS		
Floating Charge Creditor	7,720.00	7,720.00
	<u>(7,720 00)</u>	<u>(7,720 00)</u>
UNSECURED CREDITORS		
Trade & Expense Creditors	5,369 97	5,369 97
Employees	0 57	0 57
National Insurance Fund	118 89	118 89
HM Revenue and Customs	2,096 21	2,096 21
	<u>(7,585.64)</u>	<u>(7,585 64)</u>
	<u>(17,871.89)</u>	<u>10,501.51</u>
REPRESENTED BY		
VAT receivable		622 19
Floating/main current account		9,879 32
		<u>10,501.51</u>

Appendix 2

Analysis of Time Charged and Expenses Incurred

ANALYSIS OF LIQUIDATORS TIME COSTS FOR THE PERIOD 15/01/2015 to 14/01/2016

CVL-Creditors Vol Liquidation - Post Appt

Classification of Work Function	Partner	Manager	Hours Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
Administration and Planning								
Case review and Case Diary management	0 50	0 00	5 90	0 40	0 00	6 80	2,248 50	330 66
Cashiering & accounting	0 00	0 10	0 85	6 15	0 00	7 10	1,449 50	204 15
IPS set up & maintenance	0 00	0 00	0 00	0 50	0 00	0 50	57 50	115 00
Statutory matters (Meetings & Reports & Notices)	0 00	0 00	3 50	0 00	0 00	3 50	1,172 50	335 00
Strategy planning & control	0 00	1 30	0 00	0 50	0 00	1 80	493 00	273 89
Creditors								
Communications with Creditors/Employees	2 10	0 00	0 00	2 20	0 00	4 30	1,366 00	317 67
Non Pref Creditor claims adjudication and dist'n	0 00	0 00	0 00	7 55	0 00	7 55	1,774 25	235 00
Non Pref Creditors/Employee claims handling	0 00	1 00	0 00	0 00	0 00	1 00	375 00	375 00
Secured Creditors	0 00	0 00	0 60	0 00	0 00	0 60	171 00	285 00
Total Hours	2 60	2 40	10 85	17 30	0 00	33 15		274 73
Total Fees Claimed	1,378 00	853 50	3,527 75	3,348 00	0 00		9,107 25	

Madiran Limited (In Liquidation)
Joint Liquidators' Disbursements

		Reporting Period	
		Incurred	Amount
			Paid
		(£)	(£)
Category 1			
Statutory Advertising		84 60	84 60
	TOTAL	84 60	84 60

The above costs exclude VAT

No Category 2 Disbursements have been charged to this matter