

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

03495288

Name of Company

Magnumhold Limited

I / We

Paul David Williams, The Shard, 32 London Bridge Street, London, SE1 9SG

Geoffrey Wayne Bouchier, The Shard, 32 London Bridge Street, London, SE1 9SG

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 20/10/2015 to 19/10/2016

Signed



Date

1/12/16

Duff & Phelps Ltd
The Shard
32 London Bridge Street
London, SE1 9SG

Ref 53986C/PDW/GWB/PXC/MS/sbj

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Progress Report to Creditors

Magnumhold Limited

(In Creditors' Voluntary Liquidation)

1 December 2016

Joint Liquidators' Progress Report to Creditors
for the period from 20 October 2015 to 19 October 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 Shard
32 London Bridge Street
London, SE1 9SG

Definitions

| Word or Phrase | Definition |
|------------------------------|---|
| the Act | The Insolvency Act 1986 (as amended) |
| the Appointment Date | 20 October 2014, being the date of appointment of the Joint Liquidators |
| Barclays | Barclays Bank plc, with whom the Company banked |
| Category 1 Disbursements | The Joint Liquidators' external costs and expenses in dealing with the Liquidation |
| Category 2 Disbursements | The Joint Liquidators' internal costs and expenses in dealing with the Liquidation |
| the Company | Magnumhold Limited (In Creditors' Voluntary Liquidation) (Company Number 03495288) |
| DBEIS | The Department for Business, Energy & Industrial Strategy, formerly the Department of Business Innovation and Skills |
| the Director | Mark Smillie, the Director of the Company at the Appointment Date |
| the Director's Report | The First Meeting of Creditors Report dated 20 October 2014 |
| Duff & Phelps | Duff & Phelps Ltd , The Shard, 32 London Bridge Street, London, SE1 9SG |
| Handlesbanken | Svenska Handelsbanken AB (publ), with whom the Company banked |
| HMRC | HM Revenue & Customs |
| the Joint Liquidators | Paul David Williams and Geoffrey Wayne Bouchier of Duff & Phelps |
| 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 |
| the Previous Progress Report | Joint Liquidators' Progress Report to Creditors For the period from 20 October 2014 to 19 October 2015 |
| the Reporting Period | The period from 20 October 2015 to 19 October 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 |

| | |
|-----|--|
| SoA | Statement of Affairs, documentation supplied by the Director outlining the Company's financial position as at the Appointment Date |
|-----|--|

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- 1 The Joint Liquidators' Receipts and Payments Accounts
- 2 Analysis of Time Charged and Expenses Incurred
- 3 Proof of Debt form

1 Introduction

- 1.1 The purpose of this progress report is to detail the Joint Liquidators' acts and dealings together with the conduct of the liquidation for the Reporting Period
- 1.2 This report should be read in conjunction with the Previous Progress Report, and the Director's Report

2 Background

- 2.1 The Joint Liquidators were appointed on the Appointment Date by the members and creditors of the Company
- 2.2 The Company's registered office is The Shard, 32 London Bridge Street, London, SE1 9SG
- 2.3 The Company's former registered office, prior to the Liquidation, was 30 Turkey Court, Turkey Mill, Ashford Road, Maidstone, Kent, ME14 5PP
- 2.4 The Company's principal activity was that of financial management
- 2.5 Please see the Director's Report for further information on the events leading up to the Liquidation

3. Joint Liquidators' Receipts and Payments Accounts

- 3.1 Receipts and Payments Account's for the Reporting Period and the whole Liquidation are shown in Appendix 1. There have been no receipts or payments to date

4 Progress of the Liquidation

- 4.1 The manner in which the affairs and business of the Company have been managed during the Reporting Period are set out as follows

Investments

- 4.2 As previously reported, at 31 December 2011, the Company's investments in various corporate entities had a book value of £764,766, as follows

| Company | Ordinary Shares Held | Book Value £ |
|------------------------------------|----------------------|-----------------|
| Grey Wolf Media Limited | 4,000 | 461,078 |
| Platinum Sports Management Limited | 60 | 80,000 |
| ICEX Limited | 10,595 | 10,959 |
| Vyapar Holdings Limited | Uncertain | 213,068 |
| Music Video Messages Ltd | 25 | 25 |
| Gilmac Maintenance Limited | 4,500 | Uncertain |
| Total | | 764,766 |

- 4.3 The Joint Liquidators do not consider that any of the above investments hold any significant value, however their investigations are ongoing in this regard

Book Debts

- 4 4 As per the Company's balance sheet, as at 31 December 2011, book debts totalled £1,020,028. Please see the Previous Progress Report for more information.
- 4 5 The Joint Liquidators are negotiating with two debtors, whose debts total approximately £900,000. The Joint Liquidators anticipate that they will recover funds from these two debtors, however the quantum is currently uncertain.
- 4 6 Due to the confidential nature of these negotiations, the Joint Liquidators are unable to provide any further details of action being taken to pursue the outstanding book debts.
- 4 7 The Joint Liquidators have issued a winding up petition against Grey Wolf Media Limited, which owes the Company £101,904 subject to accruing interest and charges. A petition hearing was held on 21 November 2016, during which the petition was granted. Grey Wolf Media Limited has therefore been wound up by the Court. The Joint Liquidators will liaise with the Official Receiver regarding potential investigations, and will provide further information within their next annual progress report.
- 4 8 The Joint Liquidators have instructed Jones Day LLP to assist them with book debt collections.

5 Investigations

- 5 1 The Joint Liquidators have complied with their statutory obligation to file a report with DBEIS regarding the conduct of all directors of the Company that served in the three years prior to the Appointment Date. The report was submitted to DBEIS on 8 April 2015. The content of this report is confidential.
- 5 2 The Joint Liquidators' investigations into the Company's affairs are currently ongoing. The Joint Liquidators cannot, at this stage, detail the nature of these investigations as it may hamper any further action that may be required. However, should any of the Company's creditors have information concerning the Company's affairs that they would like to bring to the Joint Liquidators' attention, please contact this office.

6 Dividend Prospects / Prescribed Part

Secured Creditors

- 6 1 The Company does not have any secured creditors.

Preferential Creditors

- 6 2 According to the SoA, the amount due to preferential creditors is nil.
- 6 3 However, a former employee of the Company has submitted a claim of £35,710. Of this amount, £31,660 relates to 10 months of unpaid wages. The preferential element is limited to £800.
- 6 4 It is currently estimated that there will be sufficient asset realisations to enable a distribution to preferential creditors.

Prescribed Part

- 6 5 The Company does not have any secured creditors and, therefore, the Prescribed Part does not apply

Non-Preferential Unsecured Creditors

- 6 6 According to the Director's SoA, non-preferential unsecured creditors total £1,260,001. The non-preferential unsecured creditors can be summarised as follows:

| | £ |
|---------------------------|------------------|
| HMRC - VAT | 34 |
| Former Director's Loan | 11,477 |
| HMRC - PAYE | 29,774 |
| Trade & Expense Creditors | 40,849 |
| Accruals | 147,429 |
| Long Term Loans | 1,030,438 |
| | 1,260,001 |

- 6 7 To date, claims of £2,642,303 have been received from the non-preferential unsecured creditors of the Company.
- 6 8 Subject to successful realisations of book debts, there may be sufficient asset realisations to enable a distribution to the non-preferential unsecured creditors of the Company. The quantum and timing of any such distribution. Creditors' claims have not yet been adjudicated upon.
- 6 9 If you have not yet submitted your Proof of Debt Form, attached at Appendix 3 is a Proof of Debt Form, which should be completed and submitted as soon as possible.

7. Costs and Expenses

- 7 1 The basis of the Joint Liquidators' remuneration was fixed on the basis of time properly charged at the creditors' meeting held on 20 October 2014.
- 7 2 The time costs charged in the Reporting Period total £27,189 and are as analysed at Appendix 2. Time has been charged in six minute units.
- 7 3 The Joint Liquidators have not drawn any fees to date in relation to their time costs incurred during the Reporting Period.
- 7 4 The Joint Liquidators' Category 1 and Category 2 Disbursements are also detailed at Appendix 2. These disbursements are currently outstanding.
- 7 5 The Joint Liquidators have incurred a number of expenses in dealing with the Liquidation of the Company. These are summarised at Appendix 2.
- 7 6 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.

- 7.7 Any secured creditor, or any unsecured creditor (with the support of at least 10% in value of the unsecured creditors or the permission of the Court), may apply to the Court on the grounds that the remuneration or basis fixed for the Joint Liquidators' remuneration or the expenses incurred by the Joint Liquidators are considered to be excessive. This application must be made no later than eight 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 unsecured creditors (with the concurrence of at least 5% in value of total unsecured claims) may make a request in writing to the Joint Liquidators 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 Creditors will receive formal reports annually until the conclusion of the Liquidation. It is currently uncertain when the Liquidation will be closed as this is dependent on book debt realisations.
- 9.2 In the meantime, if you require any further information please contact Sebastien Johnson of this office.



Geoffrey Bouchier
Joint Liquidator

Appendix 1

Joint Liquidators' Receipts and Payments Accounts

Magnumhold Limited (In Creditors' Voluntary Liquidation)
Joint Liquidators' Receipts & Payments Accounts

| Statement of Affairs | 20 October 2015 to 19 October 2016 | 20 October 2014 to 30 November 2016 |
|------------------------------------|---------------------------------------|--|
| £ | £ | £ |
| Asset Realisations | Nil | Nil |
| | Nil | Nil |
| Costs of Realisations | Nil | Nil |
| | Nil | Nil |
| Unsecured Creditors | | |
| (40,849) Trade & Expense Creditors | Nil | Nil |
| (11,477) Director's Loan Account | Nil | Nil |
| (1,030,438) Long Term Loans | Nil | Nil |
| (29,774) Wages/PAYE | Nil | Nil |
| (34) VAT Liability | Nil | Nil |
| (147,429) Accruals | Nil | Nil |
| | Nil | Nil |
| Distributions | | |
| (4) Ordinary Shareholders | Nil | Nil |
| | Nil | Nil |
| (1,260,005) | Nil | Nil |

Appendix 2

Analysis of Time Charged and Expenses incurred

Magnumhold Limited (In Creditors Voluntary Liquidation)

Analysis of the Joint Liquidators' time costs for the period 20 October 2014 to 19 October 2016

| Classification of Work Function | Hours | | | | | Total Hours | Time Cost | Avg Hourly Rate (£) |
|--|----------|-----------|-----------|-----------|---------|-------------|-----------|---------------------|
| | Partner | Manager | Senior | Assistant | Support | | | |
| Administration and Planning | | | | | | | | |
| Strategy planning & control | 0 00 | 1 50 | 26 70 | 52 85 | 0 00 | 81 05 | 10 529 75 | 203 06 |
| Statutory matters (Meetings & Reports & Notices) | 0 00 | 14 00 | 9 30 | 37 50 | 0 00 | 60 80 | 14 049 50 | 231 08 |
| Case review and Case Diary management | 0 50 | 3 70 | 6 40 | 9 50 | 0 00 | 20 10 | 5 466 50 | 271 97 |
| Tax Compliance/Planning | 0 00 | 4 30 | 4 00 | 2 40 | 0 00 | 10 70 | 3 784 00 | 353 64 |
| Cashiering & accounting | 0 00 | 0 70 | 1 00 | 3 20 | 0 00 | 4 90 | 1 183 00 | 241 43 |
| IPS set up & maintenance | 0 00 | 0 10 | 0 00 | 3 90 | 0 00 | 4 00 | 516 00 | 129 00 |
| Dealings with Directors and Management | 0 00 | 0 10 | 0 30 | 2 20 | 0 00 | 2 60 | 454 00 | 174 62 |
| Creditors | | | | | | | | |
| Communications with Creditors/Employees | 0 00 | 0 80 | 2 50 | 7 20 | 0 00 | 10 50 | 2,205 50 | 210 05 |
| Non Pref Creditors/Employee claims handling | 0 00 | 0 20 | 0 00 | 0 00 | 0 00 | 0 20 | 96 00 | 480 00 |
| Investigations | | | | | | | | |
| Financial review and investigations (S238/239 etc) | 9 30 | 23 10 | 3 80 | 0 80 | 0 00 | 36 80 | 17 066 00 | 487 93 |
| CDDA & reports & Communication | 0 00 | 1 00 | 12 00 | 11 70 | 0 00 | 27 40 | 7 309 00 | 266 75 |
| Forensic Sales Ledger Investigation | 0 00 | 0 00 | 0 00 | 0 80 | 0 00 | 0 80 | 96 00 | 120 00 |
| Realisation of Assets | | | | | | | | |
| Book debts | 0 00 | 26 70 | 32 50 | 16 40 | 0 00 | 75 60 | 27 559 00 | 364 54 |
| Freehold and Leasehold Property | 0 00 | 0 10 | 0 80 | 0 70 | 0 00 | 1 60 | 390 00 | 243 75 |
| Other Tangible Assets | 0 00 | 0 40 | 0 00 | 0 00 | 0 00 | 0 40 | 192 00 | 480 00 |
| Pre-Appointment Tax Reclaims | 0 00 | 0 20 | 0 00 | 0 00 | 0 00 | 0 20 | 96 00 | 480 00 |
| Other Intangible Assets | 0 00 | 0 00 | 0 10 | 0 00 | 0 00 | 0 10 | 34 00 | 340 00 |
| Total Hours | 10 70 | 77 80 | 100 30 | 148 95 | 0 00 | 337 75 | | 289 91 |
| Total Fees Claimed | 6,420 00 | 36 787 00 | 34,609 00 | 20,130 25 | 0 00 | | 97 916 26 | |

Category 1 Disbursements

| Category of Disbursement | £ |
|-------------------------------|-----------------|
| Statutory Advertising | 2 846 77 |
| Travel | 7 16 |
| Storage | 139 00 |
| Bond Premium (Willis Limited) | 20 00 |
| Total | 3 012 93 |

Category 2 Disbursements

There are no Category 2 Disbursements

Magnumhold Limited (In Creditors Voluntary Liquidation)

Analysis of the Joint Liquidators' time costs for the period 20 October 2015 to 19 October 2016

| Classification of Work Function | Hours | | | | | Total Hours | Time Cost | Avg Hourly Rate (£) |
|--|-----------------|------------------|-----------------|-----------------|-------------|--------------|------------------|---------------------|
| | Partner | Manager | Senior | Assistant | Support | | | |
| Administration and Planning | | | | | | | | |
| Strategy planning & control | 0 00 | 1 40 | 2 30 | 11 35 | 0 00 | 15 05 | 3 235 75 | 215 00 |
| Statutory matters (Meetings & Reports & Notices) | 0 00 | 4 10 | 0 50 | 10 00 | 0 00 | 14 60 | 3 142 50 | 215 24 |
| Case review and Case Diary management | 0 00 | 1 20 | 1 30 | 6 30 | 0 00 | 8 80 | 1 896 50 | 215 51 |
| Tax Compliance/Planning | 0 00 | 1 20 | 1 60 | 1 40 | 0 00 | 4 20 | 1 350 00 | 321 43 |
| Cashiering & accounting | 0 00 | 0 30 | 0 20 | 0 70 | 0 00 | 1 20 | 336 50 | 280 42 |
| Creditors | | | | | | | | |
| Communications with Creditors/Employees | 0 00 | 0 50 | 0 70 | 1 90 | 0 00 | 3 10 | 821 50 | 265 00 |
| Investigations | | | | | | | | |
| Financial review and investigations (S238/239 etc) | 2 20 | 0 50 | 0 00 | 0 00 | 0 00 | 2 70 | 1 560 00 | 577 78 |
| Realisation of Assets | | | | | | | | |
| Book debts | 0 00 | 15 50 | 10 70 | 16 40 | 0 00 | 42 60 | 14 846 00 | 348 50 |
| Total Hours | 2 20 | 24 70 | 17 30 | 48 05 | 0 00 | 92.25 | | 294 73 |
| Total Fees Claimed | 1 320 00 | 11,595 00 | 6,705 00 | 7,568 75 | 0 00 | | 27 188 75 | |

Category 1 Disbursements

| Category of Disbursement | £ |
|--------------------------|----------|
| Statutory Advertising | 2 365 00 |
| Storage | 55 00 |
| Total | 2,420 00 |

Category 2 Disbursements

There are no Category 2 Disbursements

Appendix 3

Proof of Debt Form

Proof of Debt – General Form

| Magnumhold Limited (In Creditors' Voluntary Liquidation) | | |
|---|--|---------------------------|
| Date of resolution for voluntary winding-up 20 October 2014 | | |
| 1 | Name of creditor (If a company please also give company registration number) | |
| 2 | For correspondence Address of creditor | |
| | Contact telephone number of creditor | |
| | Email address of creditor | |
| 3 | Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation | |
| 4 | Details of any documents by reference to which the debt can be substantiated | |
| 5 | If amount in 3 above includes outstanding uncapitalised interest please state amount | £ |
| 6 | Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form) | |
| 7 | Particulars of any security held, the value of the security, and the date it was given | |
| 8 | Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates | |
| 9 | Signature of creditor or person authorised to act on his behalf | |
| | Name in BLOCK LETTERS | |
| | Position with or in relation to creditor | |
| | Address of person signing (if different from 2 above) | |
| For Liquidators' Use only | | |
| Admitted to vote for | | Admitted for dividend for |
| £ | | £ |
| Date | | Date |
| Liquidator | | Liquidator |