

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

04725386

Name of Company

PARK ROYAL COLLEGE LIMITED

I / ~~WE~~

Peter Jackson, 37 Sun Street, London, EC2M 2PL

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 21/11/2014 to 20/11/2015

Signed

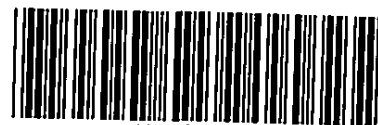
Date

18/01/2016

CMB Partners UK Limited
37 Sun Street
London
EC2M 2PL

Ref P0042/PAJ/HM/TH

WEDNESDAY



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20/01/2016

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COMPANIES HOUSE

Liquidator's Annual Progress Report to Creditors

PARK ROYAL COLLEGE LIMITED - IN LIQUIDATION

18 January 2016



CMB|PARTNERS

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- 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, Lane Bednash, of CMB Partners UK Limited, 37 Sun Street, London EC2M 2PL was appointed as Liquidator of Park Royal College Limited ("the Company") on 21 November 2014. This report provides an update on the progress in the liquidation for the year ended 20 November 2015.
- 1 2 The trading address of the Company was Unimix House, 22 Abbey Road, Park Royal, London, NW10 7TR. The business operated as an independent college that offered educational services to overseas students.
- 1 3 The registered office of the Company has been changed to CMB Partners UK Limited, 37 Sun Street, London EC2M 2PL and its registered number is 04725386.

2 Realisation of Assets

- 2 1 Attached at Appendix A is my receipts and payments account for the period from 21 November 2014 to 20 November 2015.

Rent Deposit

- 2 2 Detailed in the director's statement of affairs is a collectable rent deposit of £121,350. However, despite my best efforts to try and negotiate with the landlord, my attempts have so far been unsuccessful. Accordingly, I instructed my solicitors to pursue this further. I have recently been notified that my solicitors have acquired the ATE Insurance in order to start proceedings.

St Patrick's College

- 2 3 Creditors may recall that the Company's students were transferred to St Patrick's International College ("SPIC") so that they could continue their overseas education. I have been provided with a copy of the sale agreement which states that 25% of all fees collected from the students transferred would be payable to the Company. To date, no funds have been received and solicitors were instructed to deal with the matter. At present, my solicitors have not received a response from SPIC and I can confirm court proceedings have commenced to enforce co-operation. It should be noted that a third party has funded the application to court.

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. 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 revealed a number of issues that are carefully being considered by my solicitors as to what action should be taken.

4 Creditors

Secured Creditors

- 4 1 Brian Liston holds a fixed and floating charge over the Company's assets. At the date of the Administration the indebtedness to the secured creditor was estimated at £25,000 and has now been agreed. To date, no money has been paid on account under the charge.
- 4 2 Aima Group Limited also holds a fixed and floating charge over the Company's assets. At the date of the Administration the indebtedness to the secured creditor was estimated at £949,825.50. To date, no money has been paid on account under the charge.

Preferential Creditors

- 4 3 I can confirm that there are no preferential creditors.

Unsecured Creditors

- 4 4 I have received one creditor claim of £167.44 and I have yet to receive claims from eight creditors whose debts total £112,229.56 as per the Company's statement of affairs.
- 4 5 The Company granted a floating charge to Brian Liston on 18 September 2012 and to Aima Group Limited on 29 September 2012. Accordingly, I am required to create a fund out of the Company's net floating charge property for unsecured creditors.
- 4 6 Based on present information, I estimate the value of the Company's net floating charge property to be £219,589. Arising from this, the value of the unsecured creditors' fund is estimated to be £46,918.

5 Liquidator's Remuneration

- 5 1 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 the 21 November 2014 to 20 November 2015 are £1,525. This represents 7.1 hours at an average rate of £215 per hour. Attached as Appendix B 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 and my staff in managing the Liquidation. To date, no fees have been drawn on account. Below is a breakdown of the work carried out in relation to the costs incurred.

Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors

Cashiering

- Maintaining and managing the Liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS
- Reviewing and adjudicating on proofs of debt received from creditors

Investigations

- Review and storage of books and records
- Preparing a report pursuant to the Company Directors Disqualification Act
- Conducting investigations into suspicious transactions
- Review books and records to identify any transactions or actions a Liquidator

Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with the Company's bank regarding the closure of the account
- Insert details of other assets/work that will justify inflated time costs/debtors

5 3 Attached as Appendix C is additional information in relation to this firm's policy on staffing, disbursements and details of our current charge-out rates by staff grade.

5 4 Since the date of appointment no category 2 disbursements have been taken.

- 5 5 A copy of a "Creditors Guide to Liquidator's Fees" is available on request or can be downloaded from www.cmbukltd.co.uk/downloads

6 Liquidator's Expenses

The following expenses have been incurred since my appointment as Liquidator

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
Courts Advertising	Pre-appointment Advertising	84 60	Nil	84 60
Courts Advertising	Post-appointment Advertising	169 20	Nil	169 20
Hamlin's Solicitors	Legal Fees	TBC	Nil	TBC
Marsh Limited	Bordereau Insurance	336 00	Nil	336 00

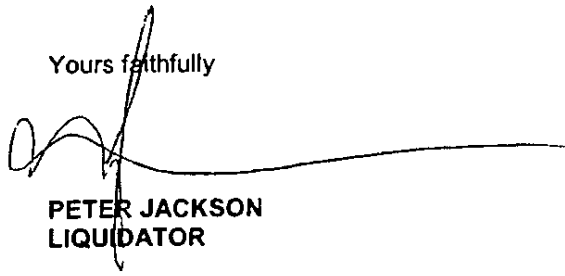
7 Creditors' rights

- 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

A handwritten signature in black ink, appearing to be 'Peter Jackson', written over the typed name and title.

**PETER JACKSON
LIQUIDATOR**

Enc


APPENDIX A

RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM 21 NOVEMBER 2014 TO 20 NOVEMBER 2015

PARK ROYAL COLLEGE LIMITED
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 21/11/2014 To 20/11/2015
	ASSET REALISATIONS	
121,350 00	Rent Deposit	NIL
146,294 00	St Patrick's College	NIL
		NIL
	FLOATING CHARGE CREDITORS	
(949,825 40)	Aima College	NIL
(25,000 00)	Brian Liston	NIL
		NIL
	UNSECURED CREDITORS	
(113,300 00)	Trade & Expense Creditors	NIL
		NIL
	DISTRIBUTIONS	
(100 00)	Ordinary Shareholders	NIL
		NIL
(820,581.40)		NIL
	REPRESENTED BY	
		NIL

Note


Peter Jackson
Liquidator

APPENDIX B

TIME ANALYSIS FOR THE PERIOD FROM 21 NOVEMBER 2014 TO 20 NOVEMBER 2015

Classification	Partner Hours	Manager Hours	Other Senior Professionals Hours	Assistants & Support Staff Hours	Total Hours	Time Costs £	Average Hourly Rate £/hr
Administration/Planning							
Statutory Reports & Returns	0.00	0.00	2.00	0.00	2.00	200.00	100.00
Cashiering	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Job Planning & review	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Taxation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Company Records	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Agents/Advisors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Partner/Manager Review	1.00	0.40	0.00	0.00	1.40	500.00	357.14
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	1.00	0.40	2.00	0.00	3.40	700.00	205.88
Investigations							
Directors Correspondence	0.00	1.00	0.00	0.00	1.00	250.00	250.00
Books and Records Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Legal Claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CODA 1986 Obligations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Asset Tracing/Searches	0.00	0.50	0.00	0.00	0.50	175.00	350.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	1.50	0.00	0.00	1.50	425.00	283.33
Realisation of Assets							
Debt Collection	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale of Business	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash at Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Property	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Motor Vehicles	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Partner/Manager Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors							
Pension Schemes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Secured Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Preferential Creditors/Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured Creditors	0.00	1.20	1.00	0.00	2.20	400.00	181.82
Shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors Committee	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	1.20	1.00	0.00	2.20	400.00	181.82
Trading							
On Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Director meetings	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invoicing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchasing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total hours	1.00	3.10	3.00	0.00	7.10		
Total Time Costs	400.00	825.00	300.00	0.00		1,525.00	215

APPENDIX C

ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

CMB PARTNERS UK LIMITED

CHARGE OUT RATES & POLICY REGARDING THE RECHARGE OF DISBURSEMENT RECOVERY PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

1 Charge-out rates

Where the approved basis of remuneration is on a time cost basis, work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 December 2012 are as follows:

Staff	Rate per hour
Partner	£350 - £400
Manager	£225 - £350
Other Professionals	£175 - £225
Assistants & Support Staff	£75 - £100

Time is charged to the cases in units of 6 minutes. The minimum unit used to charge time is 6 minutes. Please be advised that support staff time is charged to the case at the rate indicated.

Fixed fee and percentages of realisations and distributions

Where the approved basis of remuneration is as a set amount and percentages of realisations and distributions, the charges are applied as follows, unless otherwise specified and approved,

A set amount of £15,000 plus VAT for all general administrative and statutory work in relation to the insolvency, to be drawn from the asset realisations at the office holder's discretion, as and when funds are available. The set amount relates to, but is not limited to, the following:

- Undertaking statutory notifications to Companies House and Creditors
- Advertising the appointment
- Obtaining a specific penalty bond
- Reviewing adequacy of specific penalty bond on a regular basis
- Maintaining case files and electronic details on IPS
- Convening and holding meetings of members and creditors
- Opening, maintaining and managing office holders cash book and case bank account
- Filing returns at Companies House
- Preparing and filing Corporation Tax and VAT returns
- Case planning and devising an initial case strategy
- Case reviews at one month, six months and then every six months
- Overseeing the work on the case by the case administrators
- Attending to correspondence and telephone calls with creditors, directors, shareholders and other parties including HMRC
- Statutory investigations into the affairs of the Company and dealings of the directors
- Preparation and submission of statutory reports to the Secretary of State
- Preparation of statutory reports to creditors
- Dealing with all employee matters, including the Redundancy Payments Service and pension schemes
- Corresponding with employees in respect of their claims
- Recovering, listing and reviewing the books and records of the case
- Preparing and issuing final report
- Holding final meetings and preparing minutes of the same
- Preparing and sending final returns to Companies House/the Court
- Archiving case records and books and records

The above list is not exhaustive, but provides an overview of the work anticipated to be carried out in the insolvency case, which is either required by Statute or necessary to perform the basic duties of an office holder, but may not necessarily provide a direct financial benefit to creditors.

Thereafter, as a percentage of the realised assets (net of any fixed charges or finance) as follows,

- | | |
|---|-----|
| • Equity in Freehold / Leasehold Property | 25% |
| • Plant & Machinery / Fixtures & Fittings / Stock | 25% |
| • Goodwill / Intellectual Property Rights / Investments | 25% |
| • Book Debts / Work in Progress / Rent Deposits | 20% |
| • Equity in Motor Vehicles | 20% |
| • Cash at Bank / Funds held by reporting accountant | 15% |
| • HM Revenue & Customs Refunds | 15% |
| • In relation to any other asset recovery (e.g. including those not disclosed, antecedent transaction recoveries) | 50% |

Details of the assets involved in each case will be provided to creditors at the earliest opportunity. The above percentages are a reflection of the work required to realise those assets and provides a direct financial benefit to the insolvency estate. The percentages are an appropriate, reasonable and commensurate reflection of the work that the office holder anticipates will be undertaken to realise such assets.

Thereafter, as a percentage of the value of total distributions to creditors (excluding fixed charge creditors) (to be deducted from the total distribution), as follows:

- The first £20,000 15%
- The next £80,000 10%
- Over £100,000 5%

The work undertaken on a percentage basis includes, but is not limited to, the following:

- Arranging suitable insurance
- Regularly monitoring the suitability and appropriateness of the insurance cover in place
- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with the bank regarding the closure of accounts
- Instructing agents to value assets
- Addressing Retention of Title claims
- Liaising with agents with regard to the realisation of assets
- Instructing solicitors to assist with the realisation of assets
- Registering cautions in respect of properties
- Obtaining details from secured creditors in respect of debts secured over assets
- Determining the ownership of assets such as properties and vehicles
- Liaising with secured creditors in respect of the realisation of charged assets
- Issuing notice of intended dividend and placing an appropriate notice
- Reviewing and adjudicating on proofs of debt received from creditors
- Calculating and paying dividends
- Paying tax deducted from dividends paid to employees

2 DISBURSEMENT RECOVERY

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

2.1 Category 1 Disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by CMB Partners UK Limited and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

2.2 Category 2 Disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by CMB Partners UK Limited and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by CMB Partners UK Limited are as follows -

Disbursement	Charge
Stationery / fax / postage/ telephone / photocopying	One off charge of £5 per creditor
Internal Storage of Insolvency Practitioners working papers & case records	£50 per box per annum
Internal meeting room hire	£100 per hour

All costs are subject to VAT, where applicable. The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.