

The Insolvency Act 1986

Administrator's progress report

Name of Company PARK ROYAL COLLEGE LIMITED	Company number 04725386
In the High Court of Justice, Companies Court	Court case number 8810 OF 2013

(a) Insert full name(s) and
address(es) of
administrator(s)

I (a) Peter Jackson, of CMB Partners UK Limited, 37 Sun Street, London, EC2M 2PL

administrator of the above company attach a progress report for the period

(b) Insert dates

from

to

(b) 12 December 2013

(b) 11 June 2014

Signed

Administrator

Dated

10/7/2014

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

CMB Partners UK Limited	
37 Sun Street, London, EC2M 2PL	
	Tel - 020 7377 4370
DX Number	DX Exchange



A24

12/07/2014

#4

COMPANIES HOUSE

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Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

SATURDAY

Administrator's Progress Report

**For the period
12 December 2013 to 11 June 2014**

**PARK ROYAL COLLEGE LIMITED -
IN ADMINISTRATION**

CONTENTS

- 1 Statutory Information**
- 2 Progress of the Administration**
- 3 Investigations**
- 4 Pre-administration Costs**
- 5 Administrator's Remuneration**
- 6 Administrator's Expenses**
- 7 Estimated outcome for creditors**
- 8 Ending the Administration**
- 9 Creditors' Rights**
- 10 Next Report**

APPENDICES

- A Receipts and Payments Account from 12 December 2013 to 11 June 2014**
- B Time Analysis for the period 12 December 2013 to 11 June 2014**
- C Estimated Outcome Statement as at 11 June 2014**
- D Additional information in relation to Administrator's fees pursuant to Statement of Insolvency Practice 9**

THE ADMINISTRATOR'S PROGRESS REPORT

1 Statutory information

- 1.1 I, Peter Jackson was appointed as Administrator of the Company on 12 December 2013. The appointment was made by the qualified floating charge holder, Mr Liston in the High Court of Justice, Chancery Division, Companies Court, under reference number 8810 of 2013. This Administration is being handled by CMB Partners UK Limited, 37 Sun Street, London, EC2M 2PL.
- 1.2 The trading address and registered office of the Company was Unimix House, 22 Abbey Road, Park Royal, London, NW10 7TR. The registered office of the Company has been changed from 34 Ely Place, London, EC1N 6TD to 37 Sun Street, London, EC2M 2PL and its registered number is 04725386.

2 Progress of the Administration

- 2.1 Attached at Appendix A is my Receipts and Payments Account for the period from 12 December 2013 to 11 June 2014.
- 2.2 Detailed in my proposals was 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 have instructed my solicitors to pursue this further and I anticipate this asset will be realised in the near future.
- 2.3 Creditors may recall that the Company's students were transferred to St Patrick's International College 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 my solicitors are currently dealing with the matter.

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

4 Pre-administration Costs

4.1 I can confirm there were no pre-appointment costs incurred by my firm.

5 Administrator's Remuneration

5.1 The Creditors approved that the basis of the Administrator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Administration.

5.2 My time costs for the period from 12 December 2013 to 11 June 2014 are £8,530. This represents 37.3 hours at an average rate of £229 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 in managing the Administration. To date, no monies have been drawn in respect of this. A copy of 'A Creditors Guide to Administration' Fees' is available from this firm's website (www.cmbllp.co.uk) under the downloads section.

5.3 Attached as Appendix D 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.

5.4 Since the date of appointment I can confirm no category 2 disbursements have been taken.

6 Administrator's Expenses

The following expenses have been incurred since my appointment as Administrator.

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
Hamlin's Solicitors	Legal costs	TBC	-	TBC
Courts Advertising	Statutory advertising	102.16	-	102.16
Marsh Limited	Insurance premiums	30.00	-	-

7 Estimated outcome for creditors

- 7.1 An Estimated Outcome Statement as at 11 June 2014 is attached at Appendix C

Secured Creditors

- 7.2 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.
- 7.3 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.

Preferential Creditors

- 7.4 I can confirm there are no preferential creditors.

Unsecured Creditors

- 7.5 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.
- 7.6 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.
- 7.7 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.

8 Ending the Administration

Creditors Voluntary Liquidation

- 8.1 Based on present information, I believe a dividend might be paid to the unsecured creditors. As a result, I will either make a distribution to the secured creditors in the administration or I will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into CVL to facilitate this distribution. It is proposed that I will also become the Liquidator of the CVL.

Park Royal College Limited - In Administration

- 8.2 I will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon my appointment as Administrator ceasing to have effect

Dissolution of the Company

- 8.3 If I think that the Company has no property which might permit a distribution to its unsecured creditors, I propose to file a notice together with my final progress report at Court and with the Registrar of Companies for the dissolution of the Company. I will send copies of these documents to the Company and its creditors. My appointment will end following the registration of the notice by the Registrar of Companies and I will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon my appointment as Administrator ceasing to have effect

9 Creditors' rights

- 9.1 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 Administrator provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report
- 9.2 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 Administrator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrator, as set out in this progress report, are excessive

10 Next report

- 10.1 I am required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or if I wish to extend it

For and on behalf of
Park Royal College Limited


PETER JACKSON
ADMINISTRATOR

Park Royal College Limited - In Administration

**Receipts and Payments Account for the Period from 12 December 2013 to 11 June
2014**

Appendix A

PARK ROYAL COLLEGE LIMITED
(In Administration)
Administrator's Abstract of Receipts & Payments

Statement of Affairs		From 12/12/2013 To 11/06/2014	From 12/12/2013 To 11/06/2014
	ASSET REALISATIONS		
121,350 00	Rent Deposit	NIL	NIL
146,294 00	St Patrick's College	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(949,825 40)	Aima College	NIL	NIL
(25,000 00)	Brian Liston	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(113,300 00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(820,581 40)		NIL	NIL
	REPRESENTED BY		
			NIL

Note

Park Royal College Limited - In Administration

Time Analysis for the Period from 12 December 2013 to 11 June 2014

Appendix B

Name: Park Royal College Limited - In Administration

Period: 12 December 2013 - 11 June 2014

Time & Chargeout Summary

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							
Cashiering	0.00	8.70	1.00	0.00	9.70	2275.00	234.54
Job Planning & review	0.00	1.30	0.00	0.00	1.30	0.00	0.00
Taxation	0.00	0.00	0.00	0.00	0.00	325.00	250.00
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	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	22.50	0.00	22.50	5062.50	225.00
Sub-total	0.00	10.00	23.50	0.00	33.50	7,862.50	228.73
Investigations							
Directors' Correspondence	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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
CDDA 1986 Obligations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Asset Tracing/Searches	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.90	0.00	0.00	0.90	225.00	250.00
Sub-total	0.00	0.90	0.00	0.00	0.90	225.00	250.00
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	0.30	1.80	0.80	0.00	2.90	642.50	221.55
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	0.30	1.80	0.80	0.00	2.90	642.50	221.55
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	0.30	12.70	24.30	0.00	37.30		
Total Time Costs	112.50	3,175.00	5,242.50	0.00		8,530.00	229

Estimated Outcome Statement as at 11 June 2014

Appendix C

PARK ROYAL COLLEGE LIMITED - IN ADMINISTRATION
ESTIMATED OUTCOME STATEMENT AS AT 11 June 2014

	Note	Est to Realise £	To Date £	Future (Est) £	Outcome (Est) £
Assets					
Rent Deposit		217,350	NIL	217,350	217,350
Less Dilapidations and unpaid rent		(96 000)		(96,000)	(96 000)
Sale consideration	1	146,294	NIL	146,294	146,294
		<u>267,644</u>		<u>267,644</u>	<u>267,644</u>
Less Costs of Administration					
Administrator's Disbursements			NIL	(1,000)	(1,000)
Legal Fees			(tbc)	(5,500)	(5,500)
Administrator's pre-appointment time fees			NIL	NIL	NIL
Administrator's Time Costs (est)			(8,530)	(45 000)	(53,530)
			<u>(8,530)</u>	<u>(51 500)</u>	<u>(60,030)</u>
Surplus Available for Secured Creditors					207,614
Prescribed Part					(45 540)
Surplus / (Deficiency)					162,074
Floating charge Creditors					
Aima Group Limited					(949 825)
Brian Liston					(25 000)
Deficiency to floating charge creditors					(812 751)
Unsecured creditors					(113,300)
Prescribed Part					45,540
Unsecured creditors shortfall					(67 760)
Deficiency to floating charge creditors brought down					(807 666)
Total shortfall					(875 426)

NOTES

1 - As at today's date no definitive sum has been provided by the secured creditor, and this is an estimated amount based on the information I have

Park Royal College Limited - In Administration

**Additional Information in Relation to Administrator's Fees Pursuant to Statement of
Insolvency Practice 9**

Appendix D

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

1 CHARGE-OUT RATES

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:

Grade of Staff	Hourly Rate
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.

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 LLP 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 LLP 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 LLP are as follows:-

Disbursement	Rate
Postage - 1 st Class (circulars only, per copy & depending on size)	50p - £1.00
Postage - 2 nd Class (circulars only, per copy & depending on size)	40p - 75p
Photocopying (circulars only, per page)	15p
Faxes (incoming & outgoing, per page)	25p
Room Hire (per hour, minimum charge £25.00)	£25.00
Mileage (Insolvency Practitioner and business staff mileage re-imbursement at HMRC approved rates)	45p/mile
Storage (per box per year)	£50.00
Companies House Searches (per document)	£2.00

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.