

LIQ03

Notice of progress report in voluntary winding up




Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1	Company details	
Company number	0 5 0 7 5 8 7 9	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Mercury Commodities Limited	
2	Liquidator's name	
Full forename(s)	Malcolm	
Surname	Cohen	
3	Liquidator's address	
Building name/number	55 Baker Street	
Street		
Post town	London	
County/Region		
Postcode	W 1 U 7 E U	
Country		
4	Liquidator's name ①	
Full forename(s)	Edward	① Other liquidator Use this section to tell us about another liquidator.
Surname	Kerr	
5	Liquidator's address ②	
Building name/number	Two Snowhill	② Other liquidator Use this section to tell us about another liquidator.
Street	Snow Hill Queensway	
Post town	Birmingham	
County/Region		
Postcode	B 4 6 G A	
Country		

LIQ03

Notice of progress report in voluntary winding up

6		Period of progress report																																								
From date	d		3		d		0		m		0		m		7		y		2		y		0		y		1		y		9											
To date	d		2		d		9		m		0		m		7		y		2		y		0		y		2		y		0											
7		Progress report																																								
		<input checked="" type="checkbox"/> The progress report is attached																																								
8		Sign and date																																								
Liquidator's signature	Signature																																									
	X  X																																									
Signature date	d		2		d		5		m		0		m		9		y		2		y		0		y		2		y		0											

LIQ03

Notice of progress report in voluntary winding up



Presenter information

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

Contact name **Malcolm Cohen**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode **L 2 5 R H**

Country

DX

Telephone **01512 374 500**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Mercury Commodities Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Declaration of Solvency £		From 30/07/2019 To 29/07/2020 £	From 30/07/2018 To 29/07/2020 £
	ASSET REALISATIONS		
	Bank Interest Gross	80.52	417.68
558,567.00	Cash at Bank	NIL	558,767.43
	Compensatory Interest	NIL	269.53
169,018.00	Intercompany Debtors	NIL	NIL
382,347.00	Loans and Advances	NIL	NIL
	Refund of Bank Charges	NIL	1,279.00
186.00	Tax Refund	NIL	NIL
		<u>80.52</u>	<u>560,733.64</u>
	COST OF REALISATIONS		
	Bank Charges	26.25	348.17
(8,500.00)	Joint Liquidators' Fees	21,000.00	21,000.00
(437.00)	Liquidators Disbursements	NIL	NIL
	Specific Bond	200.00	200.00
	Statutory Advertising	236.99	236.99
	VAT	NIL	238.10
		<u>(21,463.24)</u>	<u>(22,023.26)</u>
	UNSECURED CREDITORS		
	Trade & Expense Creditors	NIL	1,578.48
	Unsecured N.I.C.	681.25	681.25
	Unsecured V.A.T.	11,931.56	11,931.56
		<u>(12,612.81)</u>	<u>(14,191.29)</u>
	STATUTORY INTEREST		
	Statutory Interest	1,289.79	1,348.03
		<u>(1,289.79)</u>	<u>(1,348.03)</u>
	DISTRIBUTIONS		
	Ordinary Shareholders	207,725.00	508,225.00
		<u>(207,725.00)</u>	<u>(508,225.00)</u>
<u>1,101,181.00</u>		<u>(243,010.32)</u>	<u>14,946.06</u>
	REPRESENTED BY		
	Bank 2 Current		10,716.90
	Third Party Funds		(58.24)
	Vat Input		4,287.40
			<u>14,946.06</u>

Note:

The right to collect the intercompany debt of £169,018 and the Loans and Advances of £382,347 was distributed to the member on 17 April 2019.

A capital distribution of £300,500 cash was paid in the period to 29 July 2019.
Capital distributions totalling £207,725 cash were paid in the period to 29 July 2020.

This case is VAT registered and all VAT has either been or will be claimed from or paid to HMRC.

All creditors have been paid 100p in the £ plus statutory interest on their claims.

To All Known Members

25 September 2020

Our Ref MC/EM/00279690/J1H

Please ask for
Ann Moore
0121 352 6399
Ann.Moore@bdo.co.uk

Dear Madams/Sirs

Mercury Commodities Limited - In Members' Voluntary Liquidation ('the Company')
Registered Number: 05075879

This is my annual progress report under Section 92A of the Insolvency Act 1986 ('the Act') and I am pleased to report on the progress of the Liquidation. This report covers the period from 30 July 2019 to 29 July 2020 ('the Period').

Statutory Information

The Joint Liquidators are Edward Kerr (officeholder number: 9021) of BDO LLP, Two Snowhill, Birmingham, B4 6GA and Malcolm Cohen (officeholder number: 6825) of BDO LLP, 55 Baker Street, London, W1U 7EU, who were appointed on 30 July 2018. Edward Kerr and Malcolm Cohen are both authorised and licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The Company's registered number is 05075879. Prior to Liquidation, the Company's registered office was at Incline Road, Portland Port, Castletown, Portland, DT5 1PH. The registered office was changed to c/o BDO LLP, Two Snowhill, Birmingham, B4 6GA after the member passed the winding up resolution.

Receipts and Payments

I enclose the Receipts and Payments account for the Period showing a balance of £14,946 as at 29 July 2020. This account shows the amounts realised and paid out in the Period and cumulatively, together with the amounts shown on the Statement of Assets and Liabilities included in the Declaration of Solvency sworn by the Directors.

The receipts and payments shown during the Period are largely self-explanatory and further information is included in the relevant sections of the report below.

Creditors

During the Period, a total amount of £12,613 was paid to creditors in respect of a balancing amount of £681 due to HM Revenue and Customs and £11,932 to the German tax authorities in respect of VAT. Statutory interest of £1,290 was also paid.



Distributions

A capital distribution totalling £207,725 was made to the Company's member during the Period.

Tax Matters

It is understood that the Company had received no taxable income in the outstanding pre-appointment tax period and that there was, accordingly, no outstanding pre-appointment liabilities. This was reported to HM Revenue and Customs ('HMRC') earlier this year. As yet, no response has been received from HMRC to this letter. Corporation tax returns for the Liquidation period are being completed, on which there is a nominal liability.

As detailed above in Creditors, amounts were paid in respect of German tax and Class 1A NIC in the Period.

Outstanding Matters

Once the corporation tax returns for the Liquidation period have been submitted and the liabilities thereon paid, tax clearances will be sought. Once all tax clearances have been received and the outstanding VAT reclaim has been paid to the Company, the balance of the funds held, less any final costs to be deducted, will be paid to the member.

Joint Liquidators' Remuneration

The Insolvency (England and Wales) Rules 2016 ('the Rules') provide that the Joint Liquidators are obliged to have their remuneration approved on one of the following bases:

- (1) As a percentage of the assets realised and distributed; and/or
- (2) By reference to the time the Joint Liquidators and their staff have spent attending to matters in the Liquidation; and/or
- (3) As a set amount; and/or
- (4) As a combination of the above.

The Joint Liquidators' remuneration was approved on a fixed fee basis of £8,500 plus VAT and disbursements. Due to additional unforeseen work, it was agreed with the directors and members of the parent company that the fee be increased to £21,000 and this was invoiced and drawn from the funds held.

For guidance, I enclose a document that outlines the policy of BDO LLP in respect of fees and disbursements.

Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. Since my last report no further category 1 disbursements have been incurred.

Some Liquidators recharge expenses, for example printing, photocopying and telephone costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the members before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP in respect of this appointment is not to charge any category 2 disbursements with the exception of mileage on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to the members. No category 2 disbursements have been incurred during this Liquidation.

Total category 1 disbursements of £437 have been incurred in this Liquidation as detailed below.

	Cat. 1 (£)	Cat. 2 (£)	Total (£)
Bonding	200.00	-	200.00
Statutory Advertising	236.99	-	236.99
Total	436.99	-	436.99

All disbursements incurred to date have been discharged in full.

Members' Rights

Members with the concurrence of at least 5% in value of the members may within 21 days of this report request in writing further information regarding the remuneration and expenses set out in this report. In accordance with Rule 18.9(3) of the Rules within 14 days of a request I will provide further information or explain why further information is not being provided.

A member (who need not be the member who asked for the information) may, with the concurrence of at least 5% or more in value of the members (including the member in question), apply to the court within 21 days of my response or the expiry for the period of my response and the court may make such order as it thinks fit (Rule 18.9(6) and (7) of the Rules). Members with the concurrence of at least 10% of the members may apply to the court if they consider that the remuneration of the Joint Liquidators, or the basis fixed for the remuneration of the Joint Liquidators or expenses charged by the Joint Liquidators are excessive (Rule 18.34 of the Rules). Such an application must be made within 8 weeks of receiving this report. The text of Rules 18.9 and 18.34 are set out at the end of this report.

If a member wishes to receive future notifications of future documents and reports in respect of this Liquidation via email, please provide details of the email address you want to use, to me in writing to the address at the top of this letter. Reports such as this can be made available via a website. You may subsequently ask that notifications are sent by post, by writing to me to revoke use of your email address.

Members have the right to opt-out of receiving notifications in respect of this Liquidation. If a member opts out they will still receive notices regarding any dividend or any change in officeholder, but no other documents. Opting out will not affect a member's entitlement to dividends and they may still vote in any future decision procedure, although the member will not receive notice in this latter respect. A member may elect to opt-out by writing to me at the address at the top of this letter. To opt back into communications a member must notify me in writing.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

Members may access information setting out the rights in respect of the approval of Joint Liquidators' remuneration at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.



Please contact me or my colleague Ann Moore on 0121 352 6399 or at Ann.Moore@bdo.co.uk if you require further information.

Yours faithfully
For and on behalf of
Mercury Commodities Limited

A handwritten signature in black ink, appearing to read 'M. Cohen', with a horizontal line underneath.

Malcolm Cohen
Joint Liquidator
Authorised by the Institute of Chartered Accountants in England & Wales in the UK

Enclosures
Receipts and Payments Account
BDO LLP Policy in Respect of Fees and Disbursements
Statement of Creditors' Rights in respect of Fees and Disbursements

Mercury Commodities Limited
(In Liquidation)
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Mercury Commodities Limited - In Members' Voluntary Liquidation

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows:

GRADE	£
Partner	549-783
Manager	242-380
Assistant Manager	218
Senior Administrator	206
Administrator	119-185
Other Staff	73-77

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed periodically and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

Pre Appointment
Steps upon Appointment
Planning and Strategy
General Administration
Asset Realisation/Management
Trading Related Matters
Employee Matters
Creditor Claims
Reporting
Distribution and Closure
Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors (or, in the case of a members' voluntary liquidation, the members). The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.



1) Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

2) Category 2

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP
25 September 2020

Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of members and creditors in respect of the Liquidators' fees and expenses:

Creditors' and members' requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
 - (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
 - (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
 - (d) any unsecured creditor with the permission of the court; or
 - (e) any member of the company in a members' voluntary winding up with the permission of the court.
- (2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.
- (3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—
- (a) providing all of the information requested;
 - (b) providing some of the information requested; or
 - (c) declining to provide the information requested.
- (4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—
- (a) the time or cost of preparation of the information would be excessive; or
 - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
 - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
 - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—
- (a) the office-holder giving reasons for not providing all of the information requested; or
 - (b) the expiry of the 14 days within which an office-holder must respond to a request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
 - (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - (c) the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—
- (a) a secured creditor,
 - (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
 - (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question (“the relevant report”).

Applications under rules 18.34 and 18.35 where the court has given permission for the application

18.36.—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

(2) Where the court has given permission, it must fix a venue for the application to be heard.

(3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the office-holder is entitled to charge;

(b) an order reducing any fixed rate or amount;

(c) an order changing the basis of remuneration;

(d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;

(e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —

(i) the administrator or liquidator or the administrator’s or liquidator’s personal representative to the company, or

(ii) the trustee or the trustee’s personal representative to such person as the court may specify as property comprised in the bankrupt’s estate;

(f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

Applications under rule 18.34 where the court’s permission is not required for the application

18.37.—(1) On receipt of an application under rule 18.34 for which the court’s permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

(2) Unless the application is dismissed, the court must fix a venue for it to be heard.

(3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the office-holder is entitled to charge;

(b) an order reducing any fixed rate or amount;

(c) an order changing the basis of remuneration;

(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;

(e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —

(i) the administrator or liquidator or the administrator’s or liquidator’s personal representative to the company, or

(ii) the trustee or the trustee’s personal representative to such person as the court may specify as property comprised in the bankrupt’s estate;

(f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.