

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

05595920

Name of Company

MCD (Bristol) Limited

We

Craig Povey, Three Brindleyplace, Birmingham, B1 2JB

Lee De'ath, Three Brindleyplace, Birmingham, B1 2JB

Matthew Fox, Three Brindleyplace, Birmingham, B1 2JB

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 25/09/2014 to 24/09/2015

Signed

Date

25/11/15

CVR Global LLP
Three Brindleyplace
2nd Floor
Birmingham
B1 2JB

Ref MCDB62362/CJP/GP/MB

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COMPANIES HOUSE

**MCD (Bristol) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 25/09/2014 To 24/09/2015
Uncertain	SECURED ASSETS	
	Properties	NIL
	Legal Recovery	7,000 00
		<u>7,000 00</u>
	COSTS OF REALISATION	
	Legal Fees	1,500 43
		<u>(1,500 43)</u>
(5,110,642 45)	SECURED CREDITORS	
	Royal Bank of Scotland plc	2,369 88
		<u>(2,369 88)</u>
	ASSET REALISATIONS	
	Bank Interest Gross	0 28
	Sundry receipts	1,088 11
		<u>1,088 39</u>
	COST OF REALISATIONS	
	Office Holders Fees	2,000 00
		<u>(2,000 00)</u>
(11,678 30) (4,992 00)	UNSECURED CREDITORS	
	Trade & Expense Creditors	NIL
	Intercompany Balances	NIL
		<u>NIL</u>
(1 00)	DISTRIBUTIONS	
	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(5,127,313.75)</u>		<u><u>2,218 08</u></u>
	REPRESENTED BY	
	Vat Receivable	700 09
	Bank 1 Current	1,517 99
		<u><u>2,218 08</u></u>


 Craig Povey
 Joint Liquidator

**IN THE MATTER OF
MCD (BRISTOL) LIMITED – IN LIQUIDATION
("THE COMPANY")**

COMPANY NO: 05595920

**REPORT OF THE JOINT LIQUIDATOR
PURSUANT TO SECTION 104A
OF THE INSOLVENCY ACT 1986 (AS AMENDED)**

CVR Global LLP

**Three Brindleyplace
2nd Floor
Birmingham
B1 2JB**
Telephone Number: 0121 794 0600
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MCD (BRISTOL) LIMITED – IN LIQUIDATION

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MCD (BRISTOL) LIMITED – IN LIQUIDATION**REPORT OF THE JOINT LIQUIDATOR****2 NOVEMBER 2015****INTRODUCTION**

I, Craig Povey of CVR Global LLP, together with my partners, Lee De'ath and Matthew Fox, was appointed Joint Liquidator of the above Company on 25 September 2014

In accordance with Section 104A of The Insolvency Act 1986 (as amended) I am pleased to present my report on the progress in the Liquidation. This report relates to the period from 25 September 2014 to 24 September 2015

BACKGROUND

MCD (Bristol) Limited was incorporated on 18 October 2005 to acquire the completed shell residential podium and completed residential tower forming part of Hammerson and Land Securities Cabot Circus shopping centre in Bristol, and to allow for its transformation into residential apartments for sale. The Company sat within a wider group of development companies ('MCD Group'), which were supported by funding from Royal Bank of Scotland plc ('RBS')

On 2 September 2014, RBS served formal demands on the group for immediate repayment of all loans and, on 5 September 2014, BNP Paribas ('BNP') were appointed as Fixed Charge Receivers over all of RBS' secured assets, being various properties developed and managed, by the MCD group. These events left the Directors with no alternative but to conclude that the company could no longer continue to trade and that, accordingly, it should be placed into voluntary liquidation.

I refer you to my previous report dated 8 October 2014, for further information regarding the Company's background, and events leading up to the liquidation. A further copy of this can be provided upon request.

RECEIPTS AND PAYMENTS ACCOUNT

An abstract of the Joint Liquidators' Receipts and Payments for the period concerned is attached at Appendix 1.

ASSET REALISATIONS

To date, the following assets have been realised as compared to the Directors' Estimated Statement of Affairs.

	Estimated To Realise £	Realised To Date £
Properties	Uncertain	NIL
Legal Recovery	N/A	7,000
Bank Interest Gross	N/A	0
Sundry Receipts	N/A	1,088
Total	<u>NIL</u>	<u>8,088</u>

Details of asset recoveries to date and those asset realised during period covered by this report, together with any assets still to be realised, are set out below

Properties

All of the Company's properties are subject to the security held by RBS. As noted in the background section of this report, RBS appointed fixed charge receivers, BNP, to manage their interests in these properties. Based on information provided by BNP, there is no likelihood of any surplus funds being available, and as such, no realisations for the benefit of the estate.

BNP have advised that they are in the process of obtaining their release as fixed charge receiver, at which point, any remaining interest in the properties will revert back to the Company and, therefore, the liquidation estate. Ongoing discussions are being held in respect of the strategies available to the liquidators in respect of the Company's interests.

Legal Recovery

Following my appointment, I was advised that prior to the liquidation, the Company had secured a judgement against a property purchaser for breach of contract. Following discussions with the Company's instructed solicitors, Gateley LLP, a settlement of £7,000 was agreed with the purchaser.

Following the application and deduction of the costs incurred by the liquidators and the Company's solicitors, the balance remaining of £2,369.88 was remitted to BNP as fixed charge receiver, being payable under the RBS security.

Bank Interest Gross

To date, total bank interest of £0.28 has been received, all of which has been received in the period covered by this report.

Sundry Receipts

Receipts totalling £1,088.11 have been received from solicitors in respect of client account funds held on the Company's behalf.

DIVIDEND PROSPECTS

Secured Creditors

The following charges are registered against the Company

Chargeholder	Details of Charge
Royal Bank of Scotland plc	<p>Debenture, dated 24 May 2006, over the undertaking and assets present and future</p> <p>Supplemental Legal Mortgage, dated 16 November 2007, over leasehold property known as Broadweir Block and Tower Block at Quaker's Friars Merchants Quarter, Broadmead, Bristol</p> <p>Debenture, dated 17 December 2010, over over the undertaking and all property and assets present and future</p> <p>Charge over Cash Deposit, dated 14 January 2011, over the Company's bank account</p>

As previously reported, RBS have appointed fixed charge receivers over their secured assets. With the exception of the payment from the legal recovery, no further distribution to RBS is anticipated from the liquidation estate.

Prescribed Part

Pursuant to Section 176A of The Insolvency Act 1986 (as amended), a Prescribed Part of the Company's net assets should be set aside for the benefit of unsecured creditors. This reduces the funds that would otherwise be made available to any secured creditor under Floating Charges created after 15 September 2003.

On the basis there is no net property available under the Floating Charge, the provisions of Section 176A(3) do not apply.

Unsecured Creditors

Unsecured creditor claims totalling £19,254.54 have been received to date. Based on the current level of anticipated future recoveries and costs there is no prospect of a dividend being distributed to unsecured creditors.

COSTS OF REALISATION

Since my appointment, the following costs have been incurred and remain outstanding

	£
Statutory Advertising	90 62
Meeting Room Hire	100 00
Company Search	15 00
Online Filing	12 00
Liquidators' Specific Bond	30 00
Postage & Stationery	53 68
TOTAL	301 30

Other Costs

Gateley LLP solicitors, were retained as legal advisors in view of their general experience and expertise in these matters. They have advised me in respect of the judgement creditor and settlement of the same.

I have agreed their remuneration on a fixed fee basis, and I can confirm that their fees of £1,500 43 plus VAT have been settled in full

JOINT LIQUIDATOR'S REMUNERATION AND DISBURSEMENTS

At the Meeting of Creditors held on 25 September 2014 creditors agreed that Chantrey Vellacott DFK LLP be paid £3,750 for assistance in preparing the Directors' Statement of Affairs and convening the creditors' meeting.

Prior to the commencement of the liquidation process, the Directors and the proposed Liquidators entered into an agreement with RBS in which a fixed contribution, subject to asset recoveries, towards the costs of placing the Company into liquidation would be made. The contribution is yet to be received from RBS and as such, no pre appointment fees have been drawn to date.

At the same meeting, the creditors also passed a resolution enabling me to draw my remuneration based on my firm's time costs, and to draw Category 2 disbursements.

A summary of the Liquidators' time costs, covering the period since my appointment and the period covered by this report, analysed by grade of staff, are attached at Appendix 2.

In accordance with the Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals and adopted by my professional licensing body, I advise that the overall time spent during the period of the Liquidation from 25 September 2014 to 24 September 2015 and charge out value of that time is 36 80 hours and £8,349 respectively.

This equates to an average hourly charge out rate of £226 87. These figures do not include VAT.

To date, the Joint Liquidators have drawn fees of £2,000 plus VAT, in respect of the fixed charge legal recovery.

The work undertaken as Joint Liquidator is derived from the responsibilities placed upon me by the underlying legal and regulatory framework for work of this nature. I have been assisted by the assignment manager and administrator, together with secretarial staff and cashiers. All personnel were charged directly to the assignment for all of the time relating to the case.

I believe this case generally to be of average complexity with the exception of dealing with the property related and legal matters, otherwise, no exceptional responsibility has to date fallen upon me as Liquidator.

In relation to work carried out, an element of this relates to statutory and best practice requirements as officeholder including but not limited to.

- Reporting
- Review
- Asset realisations
- Investigation work
- Lodgement and assessment of creditor claims

Disbursements represent the reimbursement of actual out-of-pocket payments made on behalf of the assignment. These are outlined in the cost breakdown attached as outlined above.

CHARGE OUT RATES

In common with other professional firms, my charge out rates increase from time to time over the period of the administration of the case. I enclose an explanation of office holders' charging and disbursement recovery policies for your reference as Appendix 3.

A Creditors' Guide to Joint Liquidators' Fees, which provides information for creditors in relation to the remuneration of the Joint Liquidators, can be accessed at the website of the Association of Business Recovery Professionals at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

Alternatively, I can provide you with a copy on written request to my office.

RIGHT TO REQUEST FURTHER INFORMATION

I would draw your attention to Rule 4.49E and Rule 4.131 of the Insolvency Rules 1986 (as amended), the text of which is reproduced at Appendix 4. These Rules set out the circumstances under which creditors may request further information in relation to the Joint Liquidator's remuneration and expenses and their right to challenge the Joint Liquidator's remuneration and expenses.

INVESTIGATIONS

I have complied with my statutory duty in relation to the Directors conduct report which has been submitted to the Department for Business, Innovation and Skills, in accordance with the Company Directors Disqualification Act 1986

I can confirm that no matters have arisen to date, that would give rise to further recoveries for the benefit of the estate

As previously requested, if creditors have any information they believe should be brought to my attention, please send such details in writing

CONCLUSION

Upon conclusion of current discussions regarding obtaining a release from the Company's interest in the properties, it is anticipated that final meetings of members and creditors can be convened

Should you require any further information, in addition to that already given, please contact Glen Crees at this office, on 0121 794 0600



C J POVEY

Joint Liquidator

Licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

MCD (Bristol) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 24/09/2015

S of A £		£	£
Uncertain	SECURED ASSETS		
	Properties	NIL	
	Legal Recovery	7,000 00	7,000 00
	COSTS OF REALISATION		
	Legal Fees	1,500 43	(1,500 43)
(5,110,642 45)	SECURED CREDITORS		
	Royal Bank of Scotland plc	2,369 88	(2,369 88)
	ASSET REALISATIONS		
	Bank Interest Gross	0 28	
	Sundry receipts	1,088 11	1,088 39
	COST OF REALISATIONS		
	Office Holders Fees	2,000 00	(2,000 00)
(11,678 30)	UNSECURED CREDITORS		
(4,992 00)	Trade & Expense Creditors	NIL	
	Intercompany Balances	NIL	NIL
(1 00)	DISTRIBUTIONS		
	Ordinary Shareholders	NIL	NIL
(5,127,313.75)			2,218.08
	REPRESENTED BY		
	Vat Receivable		700 09
	Bank 1 Current		1,517 99
			2,218.08


 Craig Povey
 Joint Liquidator

APPENDIX 2

**SUMMARY OF JOINT LIQUIDATORS'
TIMECOSTS AND DISBURSEMENTS**

MCD (BRISTOL) LIMITED CVL - MCDB62497

Time and Chargeout Summary for the period 25/09/2014 to 24/09/2015							
Classification of work function	Hours				Total Hours	Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff			
Administration & Planning	3 80	4 40	1 10	6 10	15 40	3,517 00	228 38
Investigations	0 00	0 50	0 80	0 10	1 40	333 50	238 21
Realisation of Assets	0 00	1 70	4 10	0 00	5 80	1,433 50	247 16
Creditors	0 00	0 50	0 90	0 90	2 30	410 00	178 26
Case Specific Matters	0 00	1 00	9 90	0 10	11 00	2,463 00	223 91
Fixed Charge Matters	0 00	0 00	0 90	0 00	0 90	192 00	213 33
Total Hours	3 80	8 10	17 70	7 20	36 80	8,349 00	226 87
Total fees Claimed	1,380 00	2,209 00	3,919 00	841 00	8,349 00		

Category 2 Disbursements	
Other amounts paid or payable to the office holder's firm or to any party in which the office holder or his firm or any associate has an interest	
Type and Purpose	£
Statutory Advertising	90 62
Meeting Room Hire	100 00
Company Search	15 00
Online Filing	12 00
Specific Bond	30 00
Postage and Stationery	53 68
	301 30

CHARGEOUT RATES AND DISBURSEMENT RECOVERY POLICIES**Chargeout Rates**

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the firm's chargeout rates applicable to this appointment, exclusive of VAT, are as follows

	From 1 January 2015 £ per hour	From 1 August 2013 £ per hour
Partners / Office Holders	370 - 475	350 - 450
Consultants	370 - 475	350 - 450
Directors	340 - 370	325 - 350
Senior Manager	315 - 340	300 - 325
Managers	295 - 315	280 - 295
Assistant Managers	275 - 295	260 - 280
Senior Executive / Analyst	230 - 265	220 - 250
Executive	150 - 190	135 - 180
Cashier	130 - 175	125 - 165
Secretaries / Support / Junior Analyst	85 - 120	80 - 115

Chargeout rates are normally reviewed annually on 1 July when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance. It is the firm's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. All time is recorded in 6 minute units.

Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, storage, online reporting facilities, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

Circulars to creditors

Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

Room Hire

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT is levied to cover the cost of booking the room.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at the H M Revenue & Customs approved rate, currently 40p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

Company Searches & Electronic Verification of Identity

Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

APPENDIX 4

**EXTRACTS OF 4.49E AND 4.131
OF THE INSOLVENCY RULES 1986
(AS AMENDED)**

Extracts of 4.49E and 4.131 of The Insolvency Rules 1986 (as amended)

4.49E Creditors' and Members' request for further information

4.49E(1) [Duty of Liquidator re remuneration or expenses] If-

- (a) within the period mentioned in paragraph (2)-
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (iii) 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, or
- (b) with the permission of the court upon an application made within that period mentioned in paragraph (2)-
 - (i) any unsecured creditor, or
 - (ii) any member of the company in a members' voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B(1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108

4.49E(2) [Period for compliance with r.4.49E(1)] The period referred to in paragraph (1)(a) and (b) is-

- (a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report which it is required by Rule 4 108, and
- (b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case

4.49E(3) [How liquidator to comply] The liquidator complies with this paragraph by either-

- (a) providing all the information asked for, or
- (b) so far as the liquidator considers that-

- (i) the time or cost of preparation of the information would be excessive, or
- (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
- (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information

4.49E(4) [Application to court by creditors and members] Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of-

- (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

4.49E(5) [Court may extend period in rr.4.131(1B), 4.148C(2)] Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4.131(1B) or 4.148C(2) by such further period as the court thinks just.

4.49E(6) [Non-application to official receiver] This Rule does not apply where the liquidator is the official receiver

4.131 Creditors' claim that remuneration is or other expenses are excessive

4.131(1) [Secured or certain unsecured creditors may apply to court] Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

4.131(1A) [Grounds for application] Applications may be made on the grounds that-

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4.127, or
- (c) expenses incurred by the liquidator,

is or are, in all circumstances, excessive or, in the case of an application under sub-

paragraph (b), inappropriate

4.131(1B) [Time limit for application] The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in the case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

4.131(2) [Power of court to dismiss etc.] The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

4.131(3) [Notice to liquidator] The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

4.131(4) [Court order] 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 liquidator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced 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 liquidation,
- (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

4.131(5) [Costs of application] Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation