

AM03

Notice of administrator's proposals



Companies House

TUESDAY



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19/03/2019

#153

COMPANIES HOUSE

1 Company details

Company number 07694794

Company name in full Mederco Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals

2 Administrator's name

Full forename(s) Phil

Surname Deyes

3 Administrator's address

Building name/number Leonard Curtis

Street 36 Park Row

Leeds

Post town

County/Region

Postcode LS15JL

Country

4 Administrator's name ①

Full forename(s) Julien

Surname Irving

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street 36 Park Row

Leeds

Post town


County/Region

Postcode LS15JL

Country

② Other administrator
Use this section to tell us about
another administrator.

AM03
Notice of Administrator's Proposals

6		Statement of proposals		
		<input checked="" type="checkbox"/>	I attach a copy of the statement of proposals	
7		Sign and date		
Administrator's Signature	Signature		<input checked="" type="checkbox"/> 	<input checked="" type="checkbox"/>
Signature date	d	d	m	m
			y	y
			y	y



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**MEDERCO LIMITED
(IN ADMINISTRATION)**

Registered Number: 07694794

Court Ref: 3286 of 2018

High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List
(CHD)

**Joint Administrators' Report and Statement of Proposals in accordance
with Para 49 of Schedule B1 to the Insolvency Act 1986 and Rule 3.35 of
the Insolvency (England and Wales) Rules 2016**

Report date: 18 March 2019

Date report deemed to be delivered to creditors: 20 March 2019

Leonard Curtis contact details:

**36 Park Row, Leeds,
LS1 5JL**

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Ref: E/36/JMA/MA29L/1040

CONTENTS

1	Introduction
2	Statutory Information
3	Historical Background and Events Leading Up To Administration
4	Recent Trading Results and Current Financial Position
5	Events Following the Joint Administrators' Appointment
6	Achieving the Purpose of Administration
7	Joint Administrators' Proposals and Exit Route
8	Extension of Administration
9	Pre-Administration Costs
10	Joint Administrators' Remuneration and Disbursements
11	Estimated Outcome for Creditors
12	Release of Administrators from Liability
13	Conclusion

APPENDICES

A	Joint Administrators' Statement of Proposals
B	Estimated Financial Position as at 25 January 2019, accompanying Notes and List of Creditors
C	Summary of Joint Administrators' Receipts and Payments from 25 January 2019 to 20 March 2019
D	Summary of Joint Administrators' Pre-Administration Costs
E	Joint Administrators' Fees Estimate incorporating time incurred to date
F	Joint Administrators' Statement of Likely Expenses
G	Estimated Outcome Statement
H	Leonard Curtis Policy on Fees, Expenses and Disbursements
I	Proof of Debt Form

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL EMPLOYEES
ALL MEMBERS**

1 INTRODUCTION

General information

- 1.1 I refer to the appointment of Julien Irving and I as Joint Administrators ("the Joint Administrators") of Mederco Limited ("the Company") on 25 January 2019 and now write to present the Joint Administrators' proposals ("the Proposals") (Appendix A) for the Company pursuant to the Insolvency Act 1986 ("the Act").
- 1.2 Para 3 of Schedule B1 to the Act requires the administrators to perform their functions with the objective of:
- a) Rescuing the company as a going concern; or
 - b) Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration); or
 - c) Realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.3 Para 51(1) of Schedule B1 to the Act ordinarily requires the administrators to seek a decision from the Company's creditors as to whether they approve the Proposals. However, this does not apply where the administrators state that they think:
- a) That the company has sufficient property to enable each creditor of the company to be paid in full; or
 - b) That the company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of a distribution of the prescribed part fund; or
 - c) That neither of the objectives specified in 1.2(a) and 1.2(b) above can be achieved.
- 1.4 I can confirm that in this case the administrators are of the opinion that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of a distribution of the prescribed part fund. A dividend is, however, expected to be paid to preferential creditors. As a result, there is no requirement to seek a decision from the Company's general body of creditors as to whether they approve the Proposals.
- 1.5 Creditors whose debts amount to at least 10% of the total debts of the Company may however request the administrators to seek a decision from the Company's creditors as to whether they approve the Proposals. Such a request must be delivered to the administrators within 8 business days of the date on which this report was delivered and comprise the following:
- A statement of the purpose of the proposed decision; and EITHER
 - A statement of the requesting creditor's claim, together with:
 - A list of the creditors concurring with the request and the amount of their respective claims or values; and
 - Confirmation of concurrence from each creditor concurring. OR
 - A statement of the requesting creditor's debt and that that alone is sufficient without the concurrence of other creditors.

The deemed date of delivery of this report is given on the front page of this report. Please note that security must be given for the costs of convening the requisitioned decision.

- 1.6 In the event that no such request is received, the Proposals will be deemed to have been approved in accordance with Rule 3.38(4) of the Insolvency (England and Wales) Rules 2016 ("the Rules"). Where this is the case, notification of the date on which the Proposals were deemed to have been approved will be given to creditors as soon as reasonably practicable after the expiry of the period for requisitioning a decision referred to in 1.5 above.

2 STATUTORY INFORMATION

2.1 The Administration proceedings are under the jurisdiction of the High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD) under Court reference 3286 of 2018.

2.2 During the period in which the Administration Order is in force, any act or function required or authorised to be done by the Joint Administrators may be exercised by both or either of them.

2.3 The Company's registered office was changed from Unit 18 Cunningham Court, Lions Drive, Blackburn, Lancashire BB1 2QX, to 36 Park Row, Leeds, LS1 5JL on 27 February 2019. The registered number is 07694794. *The Company traded as its registered name.*

2.4 The Company operated from leasehold premises at Unit 18 Cunningham Court, Lions Drive, Blackburn, Lancashire BB1 2QX.

2.5 The Company's director is:

Name	Role	Date Appointed
Stewart Day	Director	1 January 2003

2.6 The Company's authorised share capital is made up of 100 Ordinary shares, the shares being owned as follows:

Name	Class of Share	No. of Shares	% of Total Owned
Stewart Day	Ordinary	50	50
Trustees of SJ SASS Steven Jelfs & Pool House Trustees Limited	Ordinary	50	50
		<u>100</u>	<u>100%</u>

2.7 According to the information registered at Companies House, the Company has the following registered charges:

Chargeholder	Date created	Description	Amount secured £	Assets Charged
Capital Bridging Finance Solutions Limited	19 May 2016	Legal Charge	All monies	Leasehold land known as Basement Car Park, Salem Street, Bradford.

2.8 The EC Regulation on Insolvency Proceedings 2015 applies to this Administration. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.

3 HISTORICAL BACKGROUND AND EVENTS LEADING UP TO ADMINISTRATION

3.1 The Company was incorporated on 6 July 2011 and trades as a property development company. The Company's shareholders are Stewart Day, and the trustees of SJ SASS Steven Jelfs & Pool House Trustee Ltd, who each hold 50 shares of the Company's 100 £1 ordinary shares.

3.2 We have limited information about the Company's trading history prior to Stewart Day's involvement when he acquired the business from the previous owners. Stewart Day became the sole director of the Company on 1 January 2013.

3.3 The company traded from leasehold premises at Unit 18, Cunningham Court, Lions Drive, Blackburn, BB1 2QX

- 3.4 Along with the director, Stewart Day, there was one member of staff employed, with all other functions being outsourced.
- 3.5 Under Stewart Day's management, it is understood that the Company has been involved in principally six key transactions.
- 3.6 The first transaction was to convert a building in Bradford, which was completed successfully in 2014.
- 3.7 The second transaction was as a sales agent for a scheme in Bradford, which completed in 2014.
- 3.8 The third transaction was an apartment development scheme in Bradford. The Company purchased land now known as Appleton Point in Bradford. The Company then built out the scheme, which comprises of 160 flatted units sold to a wide number of investors, underpinned by a five year rent guarantee given to the unit holders by the Company. In May 2015 the freehold of Appleton Point was sold for £850,000 to E & J Ground Rents No 1 LLP, who subsequently, leased back to the Company the basement car park for 999 years at a peppercorn rent. The Company has then created a total of 40 parking spaces out of the leasehold interest and subsequently entered into 34 under-leases as it sold off the individual parking spaces at a price of £9,995 each.
- 3.9 The fourth transaction was a failed student accommodation scheme at Great Moor Street, Bolton on behalf of an off-shore company, Franklin International Limited. We understand the Company was appointed as agent for Franklin International Limited to the build/sell the scheme and entered into a JCT design & build contract valued at £5,682,071 with Quantum Construction. The funder of the development, Collateral, went in to administration, leaving the scheme half completed. This left the Company owing the contractor, Quantum Construction Limited £1.96m. The company does not have a financial interest in this scheme.
- 3.10 The fifth transaction concerns Bury Football Club. In February and September 2015 the Company entered into two leases with the club for the car parking spaces at Bury Football Club for a term of 24 years from 1st January, 2015. The Company then entered into sub-leases with investors for the 258 car parking spaces, generating sales of £9,995 per parking space. As part of the investment sale, the Company committed to paying the investors a 9% return on their investment for a period of 5 years. Under these arrangements the Company generates no income from the head-leases on the car parking spaces. There is £232k p.a. payable to the investors, which are approximately £190k in arrears.
- 3.11 The Company has been unable to maintain its ongoing commitments to the unit holders / parking space lease holders per its rental guarantees.
- 3.12 The legal position in respect to Appleton Point and Bury Football Club is complex and the Administrators recommend that each leaseholder takes their own advice.
- 3.13 The sixth transaction is in fact multiple transactions between the Company and other property development companies of which Stewart Day is also the managing director. The exact purpose of each transaction, the volumes and money flows involved is presently unclear and requires further investigation.
- 3.14 HMRC have raised an assessment on the Bury Football Club transaction and took steps to recover this debt by issuing a petition to wind up the company for £605k on 13th November 2018. The Company had worked on the basis that the transaction was zero rated, whereas HMRC are of the view the transaction is standard rated.
- 3.15 LC were instructed by Stewart Day in early December, in relation to a number of companies Stewart Day was involved in. One of those companies was Mederco Limited. Our instructions on all other connections ceased before the end of December, save for Mederco Limited, where we were instructed to assist Stewart Day in making an application to court for the appointment of joint administrators, to be heard ahead of the winding up hearing scheduled for 9 January 2019.

- 3.16 It was considered that the Company were insolvent pursuant to S123 of The Insolvency Act 1986 as it was unable to pay its debts as and when they fall due, evidenced by the winding up petition.
- 3.17 It was considered that Administration was the best available option, when compared to Compulsory Liquidation (the only other realistic option) as Administration would result in improved realisations. This was due to the perception the Company had a live development scheme in Appleton Point where rental income was being recovered. Additionally, the company has land assets held in its ownership, which would need to be administered and their value preserved. There was a risk that these interests would be terminable upon the company entering into compulsory liquidation but potentially preserved through the protection of an administration order.
- 3.18 Following consideration of the available options, the director subsequently instructed Leonard Curtis to assist in placing the Company into Administration. Pursuant to Paragraph 12 of Schedule B1 of the Insolvency Act 1986, the director may make an application to the Court for the Company to be placed into Administration.
- 3.19 The required application was made by the Director to High Court of Justice Business and Property Courts in Manchester – Company and Insolvency List (CHD) (“the Court”) on 21 December 2018, with Phil Deyes and Julien Irving of Leonard Curtis being proposed as Joint Administrators.
- 3.20 At the Court hearing on 25 January 2019, the application was considered by HHJ Halliwell, who made the Administration Order requested.
- 3.21 Phil Deyes and Julien Irving are licensed in the UK by the Institute of Chartered Accountants in England and Wales. In accordance with paragraph 100(2) of the Insolvency Schedule B1 to the Act, the function of the Joint Administrators may be exercised by either or both, acting jointly or alone.

4 RECENT TRADING RESULTS AND CURRENT FINANCIAL POSITION

- 4.1 There are very limited financial records for the Company, the last statutory accounts being 31st December 2016.
- 4.2 The Company's trading results for the 16 month period ended 31 December 2014, 31 December 2015 and 31 December 2016 are detailed below:

	Signed Year ended 31/12/2016 £'000	Signed Year ended 31/12/2015 £'000	Signed Period ended 31/12/2014 £'000
Turnover	1,116	4,628	8,315
Gross Profit	169	867	1,540
Gross Profit %			
Administrative expenses	(318)	(389)	(414)
Other operating income	250	95	167
Operating Profit/(Loss)	101	573	1,293
Interest and charges	(89)	(155)	(951)
Profit/(Loss) before tax	12	418	342
Taxation	(3)	(87)	(74)
Profit for the year	9	332	267

4.3 The balance sheets as at 31 December 2014, 31 December 2015 and 31 December 2016 are detailed below:

	Signed 31/12/2016 £'000	Signed 31/12/2015 £'000	Signed 31/12/2014 £'000
Fixed Assets			
Tangible Assets	-	2	3
	-		
Current Assets			
Stocks	-	-	850
Debtors	5,862	3,988	1,444
Cash	27	40	1
	5,889	4,028	2,295
Creditors: Amounts Falling due within one year	(4,465)	(1,680)	((812)
Net Current Assets/(Liabilities)	1,424	2,348	1,483
Total Assets less Current Liabilities	1,424	2,350	1,486
Creditors: Amounts falling due after more than year	-	(505)	(1,380)
Provisions for Liabilities	(1,252)	(1,462)	-
Net Assets	172	383	106
Represented by			
Called up share capital (£100)	-	-	-
Profit and Loss account	171	383	106
Shareholders' Funds	171	383	106

4.4 It should be noted that the movements in the profit and loss accounts detailed above does not correlate with the profit for the relevant years detailed at 4.2 above. We are aware of dividends drawn in the year ended 31 December 2015, totalling £55,000, however we are uncertain whether the difference in movements is due to further dividends drawn during the relevant periods. The Joint Administrators will investigate these are part of their statutory obligations.

4.5 Instructions have been given by the director to the Company's accountant to assist in collating all financial information since the last prepared accounts. The Administrators have also met with and engaged with the accountant with a view to preparing a closing trial balance at the cessation of trade. Third party records are also being recovered to assist with establishing a closing position.

Statement of Affairs

4.6 The director is required to lodge a statement of affairs as at 25 January 2019 which has to be filed with the Registrar of Companies. This document has not yet been received. In the meantime, an estimate of the financial position as at the date of the Joint Administrators' appointment is enclosed at Appendix B, together with a list of creditors including their names, addresses and details of their debts, including any security held.

4.7 Please note that no provision has been made in the Estimated Financial Position for costs and expenses of realisation, the costs of the Administration and any corporation tax which may be payable. The following comments are considered to be relevant and should be borne in mind when reading the figures:

Secured Creditor

Capital Bridging Finance Limited ("Capital")

- 4.8 Capital hold security by way of a Legal Charge over leasehold land known as Basement Car Park, Salem Street, Bradford, created on 19 May 2016.
- 4.9 Capital provided funding by way of a loan totalling £333,000.
- 4.10 Stewart Day advised that the loan secured by this charge has been repaid and we have written to Capital Bridging Solutions Limited requesting confirmation of this.
- 4.11 As such, no claim is anticipated in the Administration.

Prescribed Part

- 4.12 As the Company has no unsatisfied post-Enterprise Act charges, there will be no requirement to set aside a prescribed part in this case.

Preferential Claims

- 4.13 The only categories of claims which have preferential status are those of employees in respect of wages (up to £800 each), accrued holiday pay and certain pension contributions.
- 4.14 The Company employed 1 member of staff. Upon our appointment, the member of staff was made redundant.
- 4.15 The employee has a claim for outstanding wages and holiday pay and the employee will make the necessary claim to the Redundancy Payments Office, who will take the employee's place as a creditor.
- 4.16 Preferential claims are estimated to total £1,281.
- 4.17 It is anticipated that preferential creditors will receive a distribution in the Administration.

Unsecured Claims

- 4.18 At present, it is considered unlikely that there will be sufficient funds available to enable any form of distribution to unsecured creditors. This statement is being made in accordance with paragraph 52(1)(b) of Schedule B1 to the Act. Creditors should however continue to submit details of their claims using the proof of debt form attached at Appendix I. These claims will be collated and passed to any subsequently appointed Liquidator, should the position change.

Receipts and Payments

- 4.19 A receipts and payments account for the period of Administration to date is enclosed at Appendix C. There have been no receipts or payments.

5 EVENTS FOLLOWING THE JOINT ADMINISTRATORS' APPOINTMENT

- 5.1 As part of the administration order application it had already been identified that the principle assets comprised;
- Potential interest in the flatted scheme at Appleton Point, Bradford
 - Potential interest in the car park spaces at Bury Football Club
 - Potential interest in the numerous inter-company transactions between the companies controlled by Stewart Day.
- 5.2 Shortly after appointment we met with the director at the Company's leasehold premises to determine the Company's affairs generally and with respect to its two remaining property interests, namely Appleton Point and car parking spaces at Bury Football Club.
- 5.3 At the meeting the Administrator retrieved certain books and records, together with the Company's sole computer, which held on its hard-drive various company records. Control was also taken of various Dropbox accounts.
- 5.4 A meeting was also arranged and held with the Company's accountant.
- 5.5 The Company's accountant has been requested to provide the administrators with financial information held, including details of all inter-company loans between the Company and the other development companies owned and controlled by Stewart Day.
- 5.6 Steps are presently being taken to gather financial information since the last accounts filed at Companies House were for the year ending 31 December 2016.
- 5.7 We also held discussions with the Company's solicitor, Ratio Law, to better understand the various legal documents/agreements for the Appleton Point apartments, Appleton Point parking spaces and Bury Football Club parking spaces.
- 5.8 We have written to the Company's bankers, HSBC, to request copy bank statements for the last 24 months and to the Company's solicitor, Ratio Law for details of funds received/remitted in respect of the Appleton Point and Bury Football Club transactions where we have identified they have acted as advising lawyers.
- 5.9 An initial letter to creditors was sent on 31st January, 2019 and we have been dealing with creditor queries as they arise.
- 5.10 The Administrator continues to deal with the assets of the company and further specific detail on each principle asset is provided below.

Appleton Point, Bradford

- 5.11 As detailed at 3.8 above, the Company holds leasehold land known as Appleton Point in Bradford.
- 5.12 Appleton Point is completed flatted scheme of 160 units, and was developed by the Company.
- 5.13 According to the legal records relating to this transaction a brief overview is as follows:
- 5.14 The Company entered into agreements with fractional investors to grant individual leases on the completed units along with a call option deed and pre-emption deed to buy back the unit at an uplifted price.
- 5.15 The Company also agreed a guaranteed yield of 9% of the purchase price net of the rent and management fees, payable in 60 equal monthly instalments commencing one month after the lease was granted.
- 5.16 On 26th May 2015, the Company sold its interest in Appleton Point to E & J Ground Rents No 11 LLP for £850,000, however, the purchaser immediately leased back the basement car park to the Company on a 999 year lease at a peppercorn rent.

- 5.17 On transfer of the freehold the Company is no longer the landlord and its obligations appear limited to the contractual obligation to pay the guaranteed yield. A number of investor creditors have been included within the list of unsecured creditors for failure to meet the rent guarantee commitments.
- 5.18 The obligation to collect any rents and maintain the upkeep of the property appears to be with Appleton Point Management Limited as the named management company within the under-leases.
- 5.19 The Company subsequently offered the parking spaces at Appleton Point to investors by the granting of under-leases for a premium of £9,995 per space. The under-leaseholders in turn agreed to sublet the parking space back to the Company at a yearly ground rent of 9% net per annum of the purchase price.
- 5.20 It also appears that a put option agreement was also with the under-leaseholders to enable them to require the Company to buy back the parking space at an increased price five years after the granting of the under-lease.
- 5.21 Following the appointment, the Joint Administrators wrote to all holders of a sub-lease in relation to Appleton Point to request copies of certain documentation and other relevant information.
- 5.22 Specifically in relation to Appleton Point we contacted the following firms/organisations to advise the Company has been placed into administration;
- The freeholder of Appleton Point, E & J Ground Rents No 11 LLP
 - JH National – the letting agent of Appleton Point
 - Residential Management Group Limited – (“RMG”) – property manager for Appleton Point
 - Ratio Law – the Company’s appointed lawyers for this transaction.
- 5.23 On making enquiries about the site it became apparent that there had been fire inspections undertaken prior to our appointment. RMG advised there are significant fire safety issues with the building due to non-compliant cladding and poor build quality resulting in fire compartmentation failures.
- 5.24 Stewart Day had been working with RMG and West Yorkshire Fire & Rescue Service to try to resolve these issues and had obtained a quote of £40k to rectify the compartmentation problems, however, the Company did not have the funds to complete these works.
- 5.25 On 13th February 2019, we attended a meeting at Bradford Borough Council offices, which was also attended by West Yorkshire Fire & Rescue Service, together with the architect and building control inspector for Appleton Point. The outcome of this meeting was due to the severity of fire safety issues West Yorkshire Fire & Rescue Service issued a Prohibition Notice prohibiting the building from being occupied. This has resulted in all occupants vacating Appleton Point until the property has been made safe to their satisfaction. It is understood this work will include the replacement of the cladding with suitable fire resistance material, installation of an alarm system and works to improve the compartmentation of the building.
- 5.26 The Company’s interest in Appleton Point would appear to be limited to the car parking spaces. Responsibility for undertaking the necessary works to resolve the fire safety issues is initially the obligation of Appleton Point Management Limited and ultimately the freeholder, E & J Ground Rents No 11 LLP. We understand that Apple Point Management Limited are working with West Yorkshire Fire & Rescue Service to lift the Prohibition Order.
- 5.27 Until the Prohibition Notice is lifted the parking spaces cannot be used and will make selling the remaining spots unrealistic. Consequently, the Administrators will be monitoring progress in completing the works before seeking to find buyers for the unsold leases.
- 5.28 Investigations are to be made to determine whether the Company has any claim for damages as a result of the inadequate construction of the property. Enquiries are at their early stages.

Bury Football Club Car Park Spaces

- 5.29 As reported, on 6th February 2015 the Company entered into a lease for 24 years from 1st January 2015 for 209 car parking spaces with Bury Football Club. A further lease to acquire 49 more car parking spaces was agreed on 25th September, 2015.
- 5.30 Upon acquiring these leases the Company entered into a series of fractional investor sales following the creation of various sub-leases resulting in Mederco Limited being the ultimate tenant. Each space was sold for approximately £9,995.
- 5.31 Under its sub under-leases the Company is contracted to pay a yearly ground rent equivalent to 9% of the purchase price.
- 5.32 The investors' under-leases contain a Landlord Surrender Back Clause, Landlord Break Clause and Tenant's Break Right the effect of which is to allow the Company to buy back the parking space at an increased price.
- 5.33 The parking spaces themselves generate no income and the Company must have therefore utilised other income streams to pay the sub under-lease rents.
- 5.34 The Administrators have held a meeting with the ultimate freeholder, Bury Football Club, to discuss the head and under-leases and look at available options.
- 5.35 Please note that as a result of the administration order certain steps as regards to the determination of the leases are restricted but investor creditors are recommended to take their own legal advice.
- 5.36 On this assignment the Joint Administrators have used the professional advisors listed below.

Name of Professional Advisor	Service Provided	Basis of Fees
Turner Parkinson	Legal advice	Time costs
Younique Accountancy	Accountancy advice	Time costs
Insol Group (HR) Limited	Handling of employee claims	Time costs

Turner Parkinson

- 5.37 Turner Parkinson is a business law firm with market leading strength in offering commercial advice to business and business owners. Turner Parkinson were instructed by the Joint Administrators due to their long standing history of assisting insolvency office holders with insolvency matters.

Younique Accountancy

- 5.38 Younique Accountancy have been retained to assist in providing accountancy advice to the Joint Administrators, including preparation of accounting information up to the cessation of trade. Younique Accountancy have been instructed due to their historical knowledge of the Company and the cost efficiency in retaining them to assist the Joint Administrators.

Insol Group (HR) Limited

- 5.39 Insol was instructed to provide assistance with the processing of employee claims for those made redundant prior to the Administration. Their management team has over 20 year's expertise in dealing with employment related issues arising from insolvency.

Details of this firm's policy regarding the choice of advisors and the basis for their fees are given in Appendix H.

6 ACHIEVING THE PURPOSE OF ADMINISTRATION

- 6.1 The Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:
- (a) rescuing the Company as a going concern, or (if this cannot be achieved);
 - (b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or (if (a) and (b) cannot be achieved);
 - (c) realising property in order to make a distribution to one or more secured or preferential creditors.
- 6.2 The first objective is not capable of being achieved given the extent of historic liabilities.
- 6.3 The second objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in Administration). It is considered that this objective is unlikely to be achieved as there is little prospect of a dividend to unsecured creditors.
- 6.4 The third objective is to realise property in order to make a distribution to secured and / or preferential creditors. This objective is likely to be achieved as it is anticipated that preferential creditors will receive a distribution in this matter.

7 JOINT ADMINISTRATORS' PROPOSALS AND EXIT ROUTE

- 7.1 The Joint Administrators' Proposals for achieving the objective of Administration are attached at Appendix A.
- 7.2 Ordinarily the Joint Administrators would seek a decision from the Company's creditors as to whether they approve the Proposals. However, in this case, as there is little likelihood of a dividend being available for unsecured creditors, there is no requirement to seek such a decision from creditors.
- 7.3 Creditors whose debts amount to at least 10% of the total debts of the Company may however request the administrators to seek a decision from the Company's creditors as to whether they approve the Proposals. Such a request must be delivered to the administrators within 8 business days of the date on which this report was delivered. The deemed date of delivery of this report is given on the front page of this report. Please note that security must be given for the costs of convening the requisitioned decision.
- 7.4 If such a decision is requisitioned, creditors will again be invited to consider the appointment of a creditors' committee and to vote on the Joint Administrators' Proposals as set out at Appendix A.
- 7.5 In the event that no such request is received, the Proposals will be deemed to have been approved in accordance with Rule 3.38(4) of the Insolvency (England and Wales) Rules 2016 ("the Rules"). Where this is the case, notification of the date on which the Proposals were deemed to have been approved will be given to creditors as soon as reasonably practicable after the expiry of the period for requisitioning a decision referred to in 1.5 above.
- 7.6 Once approved, the affairs of the Company will be managed in accordance with the Proposals and financed out of asset realisations.
- 7.7 Once the Administration has been finalised, and if there are insufficient funds available to allow a distribution to unsecured creditors, the Joint Administrators will file a Notice with the Registrar of Companies that the Company be dissolved. Alternatively, if there are assets still to be realised or investigations concluded but there will be no return to unsecured creditors, the Company may be placed into Compulsory Liquidation.

8 EXTENSION OF ADMINISTRATION

- 8.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 8.2 In certain circumstances it may be necessary to extend the Administrators' term of office. In the circumstances of this case, this may be done for a specified period not exceeding twelve months with the consent of:
- each secured creditor of the Company; and
 - the preferential creditors of the Company.
- 8.3 The appropriate body of creditors will be contacted in due course should an extension be required.

9 PRE-ADMINISTRATION COSTS

- 9.1 Pre-administration costs are defined as:

- Fees charged; and
- Expenses incurred

by the Administrator, or another person qualified to act as an insolvency practitioner before the company entered Administration (but with a view to its doing so). "Unpaid pre-administration costs" are pre-administration costs which had not been paid when the company entered Administration.

- 9.2 Time charged and expenses incurred by the Joint Administrators and their solicitors in the period prior to their appointment are summarised below:

Charged by	Services provided	Total amount charged £	Amount paid £	Who payments made by	Amount unpaid £
Leonard Curtis	Meeting with the director to discuss the Company position, insolvency advice to the director, preparation of report to secured creditor, liaising with Administrator of connected companies, preparation of independent report included within Court application and other appointment formalities.	24,540	Nil	n/a	24,540
Turner Parkinson	General legal advice and assistance and drafting of Administration application.	9,517 (includes £1,105 of disbursements)	Nil	n/a	9,517
	Total	34,057			34,057

Work undertaken by Leonard Curtis

- 9.3 In the period prior to Administration, Leonard Curtis provided insolvency advice to the Company and carried out an assessment of the Company's financial position with a view to establishing the appropriate insolvency procedure for the Company.
- 9.4 The Joint Administrators evaluated the Company's financial position and advised that the Company was insolvent as it was unable to pay its liabilities as and when they fell due evidenced by the frozen bank account.

9.5 The work undertaken included but was not limited to:

- Holding meetings and discussions with the Company's director and various advisors to the Company;
- Advising the director on which insolvency process would be most appropriate;
- Preparation of an independent report in relation to the director's application to Court,;
- Assistance with preparation of witness statements from the director to include within the application to Court;
- Dealing with all formalities relating to the appointment of Administrators;
- Obtaining the Company's relevant financial information;
- Liaising with the secured creditor, Capital, and
- Liaising with Administrator of connected companies.

9.4 Enclosed at Appendix D is an analysis of the Joint Administrators' pre-administration costs. The analysis shows that total pre-administration time costs of £24,540 have been incurred which represents 55.2 hours at a rate of £444.57.

Work undertaken by Turner Parkinson

9.9 The work undertaken by Turner Parkinson included:

- General advice with regards the Administration application;
- Assistance with regards the independent report by the proposed Administrators as part of the Court application; and
- Assistance with Witness Statements.

9.8 The payment of unpaid pre-administration costs (set out above) as an expense of the Administration is subject to the approval of the appropriate class of creditors, separately to the approval of the Administrators' Proposals. In this case, the Joint Administrators are required to seek the approval of the secured and preferential creditors to this resolution.

10 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

General

10.1 The basis of the Joint Administrators' remuneration may be fixed either as a percentage of the value with which they have to deal ('a percentage basis'), as a set amount, or by reference to the time properly given by the Joint Administrators and their staff in attending to matters as set out in a Fees Estimate. A combination of these bases may be fixed, with different bases being fixed in respect of different things done by the Joint Administrators. Additionally, where a percentage basis is fixed, different percentages may be fixed in respect of different things done by the Joint Administrators.

Approval by appropriate body

10.2 The Joint Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors. In such circumstances, responsibility for approving the basis of the Joint Administrators' remuneration lies with the Creditors' Committee (if there is one); or if none (or the Committee does not make the requisite determination): each secured creditor of the Company; or where the Joint Administrators intend to make a distribution to preferential creditors: each secured creditor of the Company and a decision of the preferential creditors.

10.3 In the absence of a Creditors' Committee being established in this case, approval will be sought from the secured and preferential creditors and the outcome will be reported to all creditors in due course.

Information to be given to creditors

- 10.4 The Joint Administrators wish, in this case, to seek the secured and preferential creditors' agreement to their remuneration being fixed by reference to the time properly given by them and their staff in attending to matters as set out in a Fees Estimate. Prior to seeking approval of this basis, the Joint Administrators are required to provide all known creditors with their Fees Estimate and details of the expenses that they consider will be, or are likely to be, incurred during the administration ("Statement of Likely Expenses").

The Fees Estimate

- 10.5 The Joint Administrators' Fees Estimate for the whole of the Administration is set out at Appendix E. It includes the following:
- Details of the work that the Joint Administrators and their staff propose to undertake;
 - The hourly rate or rates that the Joint Administrators and their staff propose to use; and
 - The time that the Joint Administrators anticipate that each part of the work will take.

Details of the Joint Administrators' time costs to 1 March 2019 have also been included for comparison purposes. In summary, time costs of £40,664.50 have been incurred to 1 March 2019 which represents 99.5 hours at an average rate of £408.69 per hour.

- 10.6 The total amount of time costs as set out in the Fees Estimate is £134,205. Once approved by the appropriate body of creditors, the remuneration drawn by the Joint Administrators must not exceed this total amount without prior approval. It should be noted that in some instances payment of these costs will be limited to the amount of realisations available in the administration.
- 10.7 The Fees Estimate is based upon information currently available to the Joint Administrators. Based upon this information, the Joint Administrators do not anticipate that the Fees Estimate will be exceeded. However should information come to light during the course of the administration which means that the Joint Administrators will be required to undertake work not envisaged at the time that the Fees Estimate was provided, it may be necessary for the Joint Administrators to revert to secured and preferential creditors for further approval.
- 10.8 Details of the firm's charge-out rates and policy regarding the recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendix H.
- 10.9 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" which may be downloaded using the following link:
- <https://www.r3.org.uk/what-we-do/publications/professional/fees>
- If you would prefer this to be sent to you in hard copy please email recovery@leonardcurtis.co.uk or contact Jason Martin of this office on 0113 323 8890.

Statement of Likely Expenses

- 10.10 The Joint Administrators' Statement of Likely Expenses is set out for creditor information at Appendix F. To assist creditors' understanding of this information, it has been separated into the following categories:
- (i) *Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.*
 - (ii) *Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in this particular case. Also included within this category are costs that are directly referable to the administration but are not paid to an independent third party (and which may include an element of allocated costs). These are known as "Category 2 disbursements" and they may not be drawn without the approval of the secured and preferential creditors in the same way as fees and the secured and preferential creditors will be contacted directly in this respect. The basis of the calculation of their recharge is detailed in Appendix H.*

Further Updates

- 10.11 The Joint Administrators will provide creditors with an indication of whether the remuneration anticipated to be charged by them is likely to exceed the Fees Estimate, and if so the reasons for this, in their subsequent reports. Information will also be provided in subsequent reports on whether the expenditure detailed in the Statement of Likely Expenses has been or is likely to be exceeded and the reasons why.

11 ESTIMATED OUTCOME FOR CREDITORS

- 11.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix G.
- 11.2 The Estimated Outcome Statement assumes the following:
- a) That asset realisations are in line with those estimated at Appendix B;
 - b) That the Joint Administrators' fees estimate (as detailed at Appendix E) is approved and is not exceeded; and
 - c) That the expenses of the administration are as set out in the Statement of Likely Expenses at Appendix F and are not exceeded.
- 11.3 In summary:
- Secured creditors – no secured claims are anticipated in the Administration.
 - Preferential creditors – It is anticipated that preferential creditors will receive a distribution in the Administration.
 - Unsecured creditors – It is not anticipated that there will be sufficient realisations to enable a distribution to unsecured creditors in this instance.

12 RELEASE OF ADMINISTRATORS FROM LIABILITY

- 12.1 As soon as all outstanding matters in the Administration have been attended to it is anticipated that we will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically to dissolution.
- 12.2 The appointment of the Joint Administrators will cease as soon as this notice is issued.
- 12.3 It is for the Court to fix the date upon which the Joint Administrators are discharged from liability in respect of any action of theirs during the Administration and application will be made to Court in this respect prior to conclusion of the Administration.

13 CONCLUSION

- 13.1 It is important that you give careful attention to this report and its Appendices.
- 13.2 Creditors will be advised of the outcome on the deemed approval of the Proposals in due course.

Mederco Limited - In Administration

Should you have any queries or require any further clarification please contact Jason Martin at my office, **in writing**. Electronic communications should also include a full postal address.

for and on behalf of
MEDERCO LIMITED

PHIL DEYES
JOINT ADMINISTRATOR

Phil Deyes is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales under office holder number 9089 and Julien Irving is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales under office holder number 13092

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability

JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS

It is proposed that:

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation. It is further proposed that Phil Deyes and/or Julien Irving be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Phil Deyes and/or Julien Irving be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

APPENDIX B

ESTIMATED FINANCIAL POSITION AS AT 25 JANUARY 2019

	Notes	Book value £	In Administration £
Assets specifically pledged			
Leasehold Land known as Basement Car Park, Salem Street, Bradford	1	n/k	59,970
less: Capital Bridge Finance Limited	2	Nil	Nil
Surplus as regards fixed charge holder		<u>n/k</u>	<u>59,970</u>
Assets not specifically pledged			
Surplus from fixed charge holder		n/k	59,970
Interest in Appleton Point lease and sub-leases	3	n/k	Nil
Interest in Bury FC Car Park lease and sub-leases	4	n/k	Nil
Inter Company Debts		n/k	n/k
Inter Company Debt from Bury FC		n/k	n/k
		<u>n/k</u>	<u>n/k</u>
Preferential creditors	5	(1,281)	(1,281)
Net property available for prescribed part		<u>n/k</u>	<u>n/k</u>
Prescribed part calculation	6	n/a	Nil
Available for floating charge creditor		n/k	n/k
Floating charge holder - None	7	Nil	Nil
Surplus as regards floating charge holder		<u>n/k</u>	<u>n/k</u>
Add back prescribed part	6	Na/	Nil
Available for unsecured creditors		<u>n/k</u>	<u>n/k</u>
Unsecured creditors			
H M Revenue & Customs	8	(605,000)	(605,000)
Appleton Point long leaseholders	9	(1,161,648)	(1,161,648)
Appleton Point sub-leaseholders	10	(15,292)	(15,292)
Bury FC sub-leaseholder	11	(188,899)	(188,899)
Trade & Expense Creditors	12	(1,983,706)	(1,983,706)
Employee Claims	13	(1,604)	(1,604)
Total value of unsecured creditors		<u>(3,956,149)</u>	<u>(3,956,149)</u>
Estimated deficiency as regards unsecured creditors		<u>n/k</u>	<u>n/k</u>

NOTES TO THE ESTIMATED FINANCIAL POSITION

All book values have been taken from the Company's latest financial information or from valuations obtained upon administration by independent valuers. It should be noted that no provision has been made for the costs and expenses of the administration.

1. Leasehold Land known as Basement Car Park, Salem Street, Bradford Leasehold Land known as Basement Car Park, Salem Street, Bradford

Once the fire safety works have been completed we will look to market the six remaining under-leases for sale at the previously achieved price of £9,995 per space.

2. Capital

Capital hold security by way of a Legal Charge over leasehold land known as Basement Car Park, Salem Street, Bradford, created on 19 May 2016.

Capital provided funding by way of a loan totalling £333,000.

Stewart Day advised that the loan secured by this charge has been repaid and we have written to Capital Bridging Solutions Limited requesting confirmation of this.

As such, no claim is anticipated in the Administration.

3. Interest in Appleton Point lease and sub leases

The Company's interest in Appleton Point would appear to be limited to the unsold car parking spaces. Responsibility for undertaking the necessary works to resolve the fire safety issues is initially the obligation of Appleton Point Management Limited and ultimately the freeholder, E & J Ground Rents No 11 LLP. We understand that Apple Point Management Limited are working with West Yorkshire Fire & Rescue Service to lift the Prohibition Order.

Until the Prohibition Notice is lifted the parking spaces cannot be used and will make selling the remaining spots unrealistic. Consequently, the Administrators will be monitoring progress in completing the works before seeking to find buyers for the unsold leases.

4. Interest in Bury FC Car park lease and sub leases

On 6th February 2015 the Company entered into a lease for 24 years from 1st January 2015 for 209 car parking spaces with Bury Football Club. A further lease to acquire 49 more car parking spaces was agreed on 25th September, 2015.

Upon acquiring these leases the Company entered into a series of fractional investor sales following the creation of various sub-leases resulting in Mederco Limited being the ultimate tenant. Each space was sold for approximately £9,995.

Under its sub under-leases the Company is contracted to pay a yearly ground rent equivalent to 9% of the purchase price.

The investors' under-leases contain a Landlord Surrender Back Clause, Landlord Break Clause and Tenant's Break Right the effect of which is to allow the Company to buy back the parking space at an increased price.

The parking spaces themselves generate no income and the Company must have therefore utilised other income streams to pay the sub under-lease rents.

The Administrators have held a meeting with the ultimate freeholder, Bury Football Club, to discuss the head and under-leases and look at available options, which may result in a financial settlement being secured.

5. Inter Company Debts

The Company's accountant has been requested to provide the administrators with financial information held, including details of all inter-company loans between the Company and the other development companies owned and controlled by Stewart Day.

6. Inter Company Debt from Bury FC

The Company's accountant has been requested to provide the administrators with financial information held, including details of all inter-company loans between the Company and the other development companies owned and controlled by Stewart Day.

7. Preferential Creditors

The only categories of claims which have preferential status are those of employees in respect of wages (up to £800 each), accrued holiday pay and certain pension contributions.

The Company employed 1 member of staff. Upon our appointment, the member of staff was redundant.

The employee has a claim for outstanding wages and holiday pay and the employee will make the necessary claim to the Redundancy Payments Office, who will take the employees place as a creditor.

Preferential claims are estimated to total £1,281.

It is anticipated that preferential creditors will receive a distribution in the Administration.

8. Prescribed Part

As the Company has no unsatisfied post-Enterprise Act charges, there will be no requirement to set aside a prescribed part in this case.

9. Floating chargeholder

There are no floating charge creditors.

10. H M Revenue & Customs

Figure advised by the director of the amount of the winding up petition

11. Appleton Point Long Leaseholders

These figures have been estimated from Company records and should not be taken as agreed.

12. Appleton Point Sub-leaseholders

These figures have been estimated from Company records and should not be taken as agreed.

13. Bury Football Club Sub-leaseholders

These figures have been estimated from Company records and should not be taken as agreed.

14. Trade & Expense Creditors

These figures have been extracted from the Company's records and should not be treated as an agreed amount.

15. Employee Claims

The Company employed 1 member of staff. Upon our appointment, the member of staff was redundant.

The employee has claims for redundancy and notice pay which has been estimated at £1,604

APPENDIX B (CONTINUED)

CREDITORS LIST FOR THE ESTIMATED FINANCIAL POSITION

Name	Address –						Per Statement of Affairs
Abdul Aziz Al Majki	Block 7, Building 66	Street 1	Avenue 12	Sabah Alsaem	Kuwait		1,499.20
Abdulaziz H. W Houhou	Salwa Villa, Block No.9,	First Street, Villa No.78,	Kuwait	25609			22,488.00
Abdullah Al Rubaan	Block 7, Street 2, Building 11	Adan					2,248.80
Abeer Abdullatif	Block 6, Street 94	Building 800020, Sharq	Kuwait				4,497.60
Abdeen	45 Victor Terrace		Bradford	West Yorkshire	UK	BD9 4RH	7,652.10
Agafonov	Krylatskaya Str	Bld 31-1, Apt 76	Moscow		Russia	121614	9,947.10
Ahmad Al Adsani	Block 1, Street 18, Building 8	Al-Nuzha	13003				2,998.40
Alexey Petrov	Altufievskoe Shosse	102B Apt 299	Moscow	Russia	127349		4,497.60
Ali	15 Careless Green	Wollescote	Stourbridge	West Midlands	UK	DY9 8XE	8,251.46
Amarnani	14 Mount Elizabeth	05-04 Elizabeth Towers			Singapore	228512	7,957.68
Anderson	C/o 76 Ardmeen Green		Downpatrick	Northern Ireland	UK (Northern Ireland)	BT30 6JL	8,251.46
Andrew Griffiths	22 Isherwood Close	Fearnhead	Warrington	Cheshire	WA2 0DJ		4,497.60
Ansemous	7 Park Walk		Brierley Hill	West Midlands	UK	DY5 2HU	15,265.54
Anthony Graeme Deane	3E South Lawn	Blackpool	Lancashire	FY4 4BN			2,248.80
Assadi	No. 248, 2nd Floor	Sh Khail Hosseini Street, Sh Dr Beheshu Ave.	Tehran		Iran	157783391 4	7,652.10
Ayotola Tiemyu	10 Ruby Tuesday Drive	The Bridge	Darford	Kent	DA1 5RE		749.60
Barbara Chillington	Peel Cottage	4-5 Church Lane	Norton	Evesham	Worcestershire	WR11 4TL	2,998.40
Barninov	CR BARCELONA 40 3-1		SALOU	TARRAGONA	SPAIN	43840	25,443.08
Barley	19 Poplar Court	Richmond Road	Twickenham		UK	TW1 2DS	15,304.20
Boban Stamenkovic	188/139 Teparak Rd.	Samut Prakan	Thailand	10540			1,499.20
Boban Stamenkovic	188/139 Teparak Rd.		Samut Prakan		Thailand	10540	18,288.44
Buthinah Alqaadeen	Block 3, Street 2, Building 10	Mishref	Kuwait				749.60
c/o Mrs Lamond (Daughter of Mrs Hendry)	34 Kelvin Court	Great Western Road			UK	G12 0AE	7,652.10

Mederco Limited - In Administration

Carole Chandler	7 Holly Court	Rolliston	Newark	Nottinghamshire	NG23 5SN		3,748.00
Caroline Manetta	20 Winston Drive	Barbury	Oxfordshire	OX17 1GG			749.60
Carter	11 Crown Road		Virginia Water	Surrey	UK	GU25 4HS	7,652.10
Chan	Block 412 Pasir Ris Dr 6	#07-361	Singapore	Russia	Singapore	510412	12,243.36
Chao	Rua de Pedro	Continho No 52, 12 Andan E EDF Hio Tai			Macau		9,947.10
Chao	Rua FX	Perera, 110-110C	New China Plaza 17/B		Macau		7,957.68
Chadia Ho (AKA David Ho)	3F -3 No. 230 Sec .5 Nanking E Rd	Taipei	10570	Taiwan			749.60
Chernyy	Profsovnazna Street; 126-57		Moscow		Russia	117321	7,957.68
Chernie	89 Mayflower Gardens		Loanhead	Midlothian	UK	EH20 9BF	7,652.10
Cheung	Flat B; 26/F, Tower 5, Phase 2	Residence Bel-Air, 38 Bel-Air Avenue			Hong Kong	852	9,947.10
Cheung	3236 Ridge Pointe Dr	Forest Grove		Oregon	USA	97116	-
Christopher Bartle	3 Wooley Meadows	Stanley Crook	Durham	DL15 9UE			1,499.20
Chua	Blk 184 Jelebu Road #06-36		Singapore	Russia	Singapore	670184	9,947.10
City of Bradford Metropolitan Council	Britannia House	Hall Ings	Bradford			BD1 1HX	3,022.83
Cook	36 Pelham Court	145 Fulham Road	London	Russia	UK	SW3 6SH	3,444.60
Cook	31 Broomlee Close	Ingleby Barwick	Stockton-On-Tees		UK	TS17 0SY	-
David Edwards	8 Barkstone Close	Emerson Valley	MK4 2AT				749.60
Delphine Raymond, Jose Carcano	Rue Du Cours D'eau	No. 32	Lillois	Belgium	1428		749.60
Desch	Bodifyr	Tregarth	Bangor	North Wales	UK	LL57 4AW	8,251.46
Desch	Bodifyr	Tregarth	Bangor	Russia	UK	LL57 4AW	7,652.10
Dmitry Umushkin	RF	Brulevskaya Sl. 58-3-1064	Moscow	Russia	115 547		1,499.20
Dormand	4 Beckston Close		Hartlepool	Teeside	UK	TS26 0PA	7,652.10
Du	2 Drury Close		London		UK	SW15 5FD	41,257.30
Elmira Sajarova	05-11 Shvernika Str	Russia	117 449				1,499.20
Employee - Preferential Claims	1 employee claim totalling						1,281.00
Employee - Unsecured Claims	1 employee claim totalling						1,604.00
Eroshkin	41664	Bnaberegny Str	Moscow		Russia	125363	8,875.68
Fawziah Abdulaziz A Alshahimi	4 First Street	Almazraah	31451				7,496.00
Fewtrell	Flat B, 3rd Floor, Fung Fai Court	3-4 Fung Fai Terrace, Happy Valley			Hong Kong		8,251.46
Flanagan	Villa 218	Avenue 59	Amwaj 257		Bahrain		7,652.10
Fournans	7 Philadelphia Street	125 Malanor Aradippon	Larnaca		Cyprus	6042-7102	8,251.46

Mederco Limited - In Administration

Georgiou	Nikus 10; Dromolaxia	Anikodomiseos 11	Lamaca		Cyprus	7020 - 6056	7,652.10
Godwill Iheagwaram	96 Farley Road	London	SE6 2AR				1,499.20
Grewal	3 Aldrich Drive	Willen	Milton Keynes	Buckinghamshire	UK	MK15 9HP	8,251.46
Hamad Saad	Block 5, Street 21, House 2	Hadiya	Kuwait				2,998.40
Harding	Harpers Hill Farm	Straford Road	Henley-in-Arden	Warwickshire	UK	B95 6AB	5,776.70
Harris	43 Pigeon Close		Blandford Forum	Dorset	UK	DT11 9LX	16,502.92
Hassan Ali Al Lawati	P.O. Box 1823	PC 114	Muttrah	Oman			2,248.80
Heggie	3 Bluebird Gate	Charwood Road	Charwood	Surrey		RH6 0AJ	23,106.80
Hindes-Boyd Properties Limited	Apartment A1	Chemin des Pessules 13	Coppet 1296		Switzerland	8824	7,652.10
HM Revenue & Customs	Durington Bridge House	Barnington Road	Worthing	West Sussex		BN12 4SE	605,000.00
Hussain	56 Bushey Avenue	South Woodford	London		UK	E18 2DS	8,251.46
Ida Chow	16A KINGSFORD HEIGHT	19 BABINGTON PATH	MID-LEVEL, HONG KONG				4,497.60
Illingworth	67 Oakroyd Avenue		Potters Bar	Hertfordshire	UK	EN6 2EN	10,714.20
James Marks	2 Gheulvelt Villas	Waterworks Road	WR1 3FD	Worcestershire			449.76
Jane Lawrence	Flat 9, 102 Bath Road	Worcester					749.60
Jasani	21 Kendal Drive		Gayley		UK	SK8 4QJ	16,502.92
Jaskaranjit Dhanwal	A1 A1 LTD	241 Singlewell Road	Gravesend	Kent	DA11 7RN		749.60
Jelovsek	Drenov Gnc 48A		Vrhnika		Slovenia	SI-1360	3,797.74
John Curran	146 Plymouth Rd	Plympton	Plymouth	Devon	PL7 4ND		3,748.00
John Keywood, Andrea Keywood	30 Welland Road	Hilton	Derby	DE65 5GZ			1,499.20
Jukanti	1 Top Park Close	Warburton	Lynn	Cheshire	UK	WA13 9NZ	7,652.10
June Dorman	4 Beckston Close	Hartlepool	Teeside	TS26 0PA			749.60
Justin Morey	103 Inglesham Way	Poole		Dorset	UK	BH15 4PP	7,652.10
Kapil Patel	27 Nelsons Gardens	Hedge End	Southampton	Hampshire	UK	SO30	7,652.10
Karl Pick	South Willow Developments Ltd	23 Willow Drive	Southwold	Bicester	OX26 3XA		1,499.20
Kelechi Enyina	16 Gilbert Close	Brook Mews	Shooters Hill	London	SE18 4PT		749.60
Khaled Ibrahim Almeri	Sector East 48	Plot 23	Villa 4	P O Box 88	Abu Dhabi	UAE	7,496.00
Kim McBrayer	10 Lo Ping Road	Dept of Education Policy & Leadership	Tai Po	Hong Kong			7,496.00
King	3 La Colline House	Bosq Lane	St Peter Port	Guernsey	Channel Islands	GY1 2JE	8,251.46
Knowles/Woollett	10 Jenny's Way	Neithorne on the Hill	Coulston	Surrey	UK	CR5 1RP	8,251.46

Mederco Limited - In Administration

Konsolakis	Iroon Polytechniou 86	Chadian	Athens			Greece	12462	7,652.10
Konstantin Zarzitskiy	2nd Vladimirovskaya Str	Bed 4 Copp 1, Fe 11	Moscow			Russia	111123	8,799.60
Kulbaka	118 Cavell Drive		Bishop Stortford		Russia	London	CM23 9PZ	7,652.10
Lai Tsang	Fiat D 14/F BLK 16	Charming Garden	8 Hoi Ting Road		Mongkok West	KLN	Hong Kong	749.60
Lade Gana	60 Hawkins Drive	Chafford Hundred	Grays		RM16 6GG			749.60
Lau	10-PH-3 Robson Condominium	Persiaran Syed Putra 2	Kuala Lumpur			Malaysia	50460	6,121.68
Lees	111 Elthorne Park Road	Hanwell	London			UK	W7 2JH	8,251.46
Leslie Finnegan, Carla Jarkas	Villa 32	Street 5	Meadows 9		Dubai	UAE		7,496.00
Lin	Lot 420, Lording 5A	Kenny Hill, Kuching	Sarawak			Malaysia	93350	6,601.14
Lipova	Apt.256 House 3	Street3-ya, Krasnogvardeyskaya	Moscow			Russia	123317	21,452.44
Lisa David Moore	Elton Sailing Club	Highbank	Bury		BL8 2BR			2,998.40
Lisca Yee	7 Abbotwood Road	Streatham	London		SW16 1AJ			749.60
Liubov Dzyadykevych	26 Klymenka St Apt 68 Kiev Ukraine	Info provided by Ratio, see file	liubov001100@gmail.com					749.60
Llantada	Arevalo 1729		Buenos Aires			Argentina	C1414	7,957.68
Llantada	Via Giovanni Giorgi	35-00149	Rome			Italy		7,957.68
Lois	19 Posidonos Str	Karmakli	Nicosia			Cyprus	CY1036	8,251.46
Lorraine Cousins	19 Thorpe Meadows	Peterborough	PE3 6GA					11,244.00
Low	37 Jalan Setia Bakti	Bukit Damansara	Kuala Lumpur			Malaysia	50490	7,957.68
Luhwah S A Al Mutawa	Kuwait - Abu Fatera Area,	Block 11,	House # B23					2,248.80
Margarita Kulazhenkova	30-767 Korablesstroileiy St	St Petersburg				Russia	199397	19,894.20
Mark & Laura Owen	60 Dumford Street	Middleton	Manchester		M24 5TZ			749.60
Mark Jeffrey Kerry Jeffrey	24 Registry Close	Northwich	Cheshire		CW9 8UZ			1,499.20
Mercer	P O Box 66129	213 Stratis Village	Polis Chrysoshoous			Cyprus	8830	5,776.70
Mervyn Lim	1 Wimbome Avenue	Chislehurst	BR7 6RQ					749.60
Mikhail Cherevko	Russia, Yaroslavl	Respublikanskaya str, 114 Apt.7	Russia		150000			3,748.00
Mikhail Lomakin	Tarantsa A I	Prospect 5-38	Petrovavlovsk-Kamchatski City		Kamchatka Khai	Russia	683002	19,894.20
Mirza	The Shelling	Malvern Road	Ashford		Kent	UK	TN24 8JA	8,251.46
Mohamed Saleh Al Maku Al Saeed	276 Road 3206	Block 432	Karababad, Capital Governorate		Bahrain			749.60
Mohammad Ashkanani	Block 1, Street 1, House 15	Bayan	Kuwait					1,499.20
Mohammed Saad Al Shaqfa	UAE - Al Ain City - Al Jeml Al Meregab area	Street #34 - Villa # 2						749.60

Mederco Limited - In Administration

Mok	Flat C, 6th Floor; Tower 5	Island Harbour View 11 Hoi Fai Road	Kowloon			Hong Kong	Tai Kok Tsui	8,251.46
Moran	P O Box 1650		Blantyre			Malawi		6,601.14
Mr Abdulrazzaq AlRubai'an	House 27, Block 5, Street3, Kuwait City	Kuwait						449.76
Mr Al Atwan	Block 7, Street 1	House 50	Salwa		Kuwait			449.76
Mr AL Mujabil	Hadiya Area, Bod 1, Street6, Flat 47	Kuwait						899.52
Mr Al Turkait	Block 4 St 1 House 32	Kuwait	40003		KUWAIT			2,698.56
Mr Alsadoon	Block 2, Street 11	House No. 5803			KUWAIT			449.76
Mr Azzam Alabdujader	Shek Street 14, Apartment 16, Kuwait City	Kuwait, 13122						899.52
Mr Badghish	PO BOX 9830	MAKA 21955						449.76
Mr Hatham Moussa	Street 10	Cairo	1511		Egypt			899.52
Mr Hany Moussa	Flat 10	Street10	Cairo	1511	Egypt			899.52
Mr Kaladan	Home 1003, Road 4324	Block 243	Bahrain					899.52
Mr Omar	Box 242194	Riyadh	Saudi Arabia					449.76
Mr Mohsen Mahmoud Mohamed Mady	King Saud University	PO Box 2455, Riyadh 11451	Riyadh		Saudi Arabia			1,799.04
Mrs Kubeissi Wissam	1A 210	Block 1 Street 114	Almathbula Area		Kuwait			449.76
Mrs Nourerage Kamaeldin Said Abouelmagd	P.O. Box 5190, Saudi Electric Company	Saudi Arabia						449.76
Ms Al Harbi	Block 4, Street 5	House 66	KUWAIT					449.76
Ms Alhusaini	Villa 1354	Road 0920	Block 0109		KUWAIT			449.76
Ms Basma Abdullah Saeed Ba Dgheish	PO Box 65	Al Dharhan	31952					449.76
Ms Fatima Abouirahman Abdullah Alawadi	House 10 Block 2,	Ibin Abbas Street	Kuwait City, Kuwait					449.76
Mubarak Abdullah Al Qattan	Block 6, Street 7	Avenue 2	Meshref		Kuwait			2,998.40
Mubarak Almaskan	Villa 41, Street No. 30,	Block 16, Shakhboot City,	Abu Dhabi		UAE			749.60
Naqvi	Platanenstraat	8	Zaventem			Belgium	1930	3,038.20
Natalia Los	Russia, Moscow Region	Korolev City						749.60
Natalia Smirnova	Izmaylovsky Boulevard 55	Apt. 16	Moscow		Russia	105264		9,744.80
Neil Evans	Hauptstrasse 90	Manhausen	Germany		63533			2,998.40
Neil Jones	44 Duke street,	Heywood,	Lancashire,		OL10 4QS			749.60
Noel Newman	301 Salisbury Road	Totton	Hampshire		SO40 3LZ			749.60
Nunikov	106-143 Zelenograd		Moscow			Russia	124482	19,894.20
Ogunmakin	13 Yellow Wood Street	Northern Foreshore Estate	Lekki			Nigeria	Lagos	6,504.60

Mederco Limited - In Administration

Ogunmakin	13 Yellow Wood Street	Northern Foreshore Estate	Lekki	Lagos	Nigeria		6,504.60
Olufemi Babajide							-
Osinuga	31 Leys Avenue	Dagenham			UK	RM10 9YP	7,652.10
Osman/Kendracio	33 Newlands Close		Stourbridge		UK	DY9 0GY	8,251.46
Padda	104 Kendal Drive		Slough	Berkshire	UK	SL2 5JA	8,251.46
Pang	Flat E 33/F Block 3	On Ning Garden, Tseung Kwan O			Hong Kong		7,652.10
Papagiannopoulos	Green Heights Compound, Villa 35	Giza	6th of October City	Cairo	Egypt	12566 7020 - 6056	8,580.94
Papakostas	Nikis 10; Dromolaxia	Anikodomiseos 11	Larnaca		Cyprus		9,488.84
Patel	90 Brewery Lane	Thornhill Lees	Dewsbury		UK	WF12 9HG	8,251.46
Paul & Shelley Fejer	168 Wizard Court	Keowna	British Columbia	Canada		V1V 1N2	8,251.46
Paul Doummar	Apartment 1B, 1st Floor	Zeno Towers	Beydoun Street	Ashrafieh, Beirut	Lebanon		749.60
Paul Doummar	Apartment 1B, 1st Floor	Zeno Towers	Beydoun Street	Ashrafieh, Beirut	Lebanon		899.52
Petrou	9 Acropolis Street	Aglantzia	Nicosia		Cyprus	2101	9,488.84
Petrov	Altufievskoe Shosse 102b-299		Moscow		Russia	127349	12,242.10
Philip Deane	4-860 City Court Meguro	2-10-34 Kamosaki	Shinagawa-ku	Tokyo	Japan	141-0021	2,998.40
Piet Lips	Euronarkstraat 14	Eeklo	Belgium	9900			749.60
Prakash Mistry	24 Westergate Road	Upper Abbey Wood	London		UK	SE2 0DR	-
Puzirev	Novogereevskay 24/1 41		Moscow		Russia	111397	7,957.68
Quantum Construction Ltd	1 Fairway Court	Amber Close	Amington	Tamworth	Staffordshire	B77 4RP	1,961,852.94
Rafi	97b Gulberg 2		Lahore		Pakistan	54660	-
Rauf	2 Greenroyd Croft	Birkby	Huddersfield		UK	HD2 2DQ	-
Raymond	Rue Du Cours	D'eau No 32	Lillois		Belgium	1428	10,340.45
Reem Saleem	23306, Al-Ain	Abudhabi	UAE				2,248.80
Robinson	6 Barwick Close	Ingleby Barwick	Stockton-on-Tees	Teesside	UK	TS17 0SY	6,122.10
Roman Pankratov	Institutskaya Street 19/3 apt 13	Myyschy	Moscow		Russia	141002	19,894.20
Rouse	2 Rue Lebriz		Grenoble		France	38100	7,591.04
Sammi Adhami, Sarah Dufayard	Villa 220, Zulia 2	The Lakes	Dubai	UAE	937701		749.60
Samra	51b Tara Compound, Zayed		Giza		Egypt	12588	10,728.22
Sanghraksa	17 Park Lodge Close		Cheadle	Cheshire	UK	SK8 1HU	-
Satyen Sinha	8 Waterdale Drive	Whitefield	M458SB				1,499.20

Mederco Limited - In Administration

Serena Priya Patel	27 Nelsons Gardens	Hedge End	Southampton	SO30 2NE			1,499.20
Sergey Pakhtusov	59 Village Ilynskoye	Vladmir Region	Russia	601800			749.60
Sherratt	8 Kelfield Gardens	Samara	London		UK	W10 6LS	16,502.92
Sheyfer	Cheznoschenskay 22-44				Russia	123317	10,726.22
Short	17 Hampton Gardens		Sawbridgeworth	Hertfordshire	UK	CM21 0AN	9,001.87
Siemens PLC	C/O Andrew Wilson & Co	26 Missoun Avenue	Salford	Manchester	UK	M50 2NP	1,150.50
Sigurd Feinng	1 Celestial Gardens		London		UK	SE13 5RP	8,251.46
Singh	12 Gresham Close		Darlington		UK	DL1 2YT	7,014.08
Sinnakanuppan	125 Whitley Road, Singapore	#03-15, Villa Des Florus,			Singapore	297820	21,452.44
Smirnova	Izmaylovskiy Blvd 55	Apt 16	Moscow		Russia	105264	9,947.10
Smith	8G Greenwood Court	Greenvale Village	Hong Kong		Hong Kong SAR	Discovery Bay	9,076.12
Somosi	160 East 38St Apt 27A		New York		USA	10016	7,652.12
Sook may Yong	5-2 Jalan PJU 3/30	Challis Sunway Damansara			Malaysia	47810	8,799.60
Starostina	S Perovsky Street, 37-47	Tula			Russia	300034	9,947.10
Stephen Morris	4-11-7-301, Asagaya-Kita	Suginami-Ku	Tokyo	Japan	166-0001		1,499.20
Su Yun	9#-701, 5zone Luli Street Zhong	International Garden Suzhou Industrial Park	Jiangsu Province	China	215021		749.60
Suwat Ekthumrong	877/33 Rama 9 road	Suanluang	Bangkok	Thailand	10250		1,499.20
Syed	Dallah Hospital	Al Nakheel	Riyadh		Saudi Arabia	11652	27,088.04
Talal A N A Abdulaly	House #29	Block 1	Ghaza Street	Al Khaldiya Area	Kuwait		2,998.40
Tan	54 Cashew Road	#09-01			Singapore	679637	9,947.10
The National Insurance Fund	Redundancy Payments	PO Box 16685	Birmingham			B2 2LX	-
Thompsons Solicitors	Coverdale House	15 East Parade	Leeds			LS1 2BH	16,369.74
Ticer	70 Norman Avenue		South Croydon	Surrey	UK	CR2 0QE	8,799.60
Tony Onyeogo	48 Thornhurst Avenue	Birmingham	West Midlands	B32 2AZ			749.60
TV Licensing	Darlington					DL98 1TL	-
Underwood	26 Roman Gardens		Kings Langley	Hertfordshire	UK	WD4 8LG	9,488.84
Utility Warehouse	Utility Warehouse for Business	Network HQ	508 Edgeware Road	London		NW9 5AB	524.47
Vafin	Veshnyakovskay	37679	Moscow		Russia	111538	8,580.94
Valene Leith	9a Mill Street	Wells	Somerset	BA5 2AS			1,499.20
Velvet Chocolate Ltd	42 Linsdell Road	Barking	Essex	IG11 7LD			2,998.40
Vivian Zhu	Flat B73 Woodland House	32 - 34 Market Road	London	N7 9AW			1,499.20

Mederco Limited - In Administration

Vora	Jay Cottage	79 Straight Road	Old Windsor	Berkshire	UK	SL4 2NW	10,522.10
Waddingham	20 Abbey Crescent		Darwen	Lancashire	UK	BB3 3PX	9,488.84
Warren	Yew Tree House	Manor Park, Kings Bromley	Burton On Trent	Staffordshire	UK	DE13 7JA	5,498.41
Water Plus Limited	C/o Allied International Credit (UK) Limited	Anderson House	389 Argyle Street	Glasgow		0141 226 311	785.65
Wei	2F, No 16, Ln 83, Sec 5	Yanping N Rd, Shilin Dist	Taipei City	Taiwan		11171	10,726.22
White	13A Quebec Mews		London	London		W1H 7NZ	8,251.46
Whiting	133 Old Roar Road		St Leonards	East Sussex	UK	TN37 7HH	8,521.46
Wood	11 Hanover Drive	Sibley	Loughborough		UK	LE1 7PL	47,111.32
Xu	69 Wards Wharf Approach		London		UK	E16 2EX	7,652.10
Yassar Ahmed	7 Wilkinson Street	Leigh	Lancashire	WN7 4DQ			749.60
Yeung	465 Paseo Refugio		Milpitas	California	USA	95035	8,799.60
Yury Ashurkov,	Berdsk,	Cheremushnaya 17-1,	Russia,	633009			2,248.80
Zannetti	Via Plansano 42		Tuscania	Viterbo	Italy	1017	7,652.10
Zannettou	Tsakofski 2		Larnaca		Cyprus	6036	9,488.84
Zhao	Room 402, No 7, 485 Long	E Shan Road, Pudong District	Shanghai		China		9,947.10
Zhivetskaya	Napolny proezd	10: apt 40	Moscow		Russia	111558	18,288.44
Zhivelsky	Napolny Proezd 10/40		Moscow		Russia		9,488.84
Total							3,957,429.54

APPENDIX B (CONT.)

EMPLOYEE LIST FOR THE ESTIMATED FINANCIAL POSITION

Name	Address						Unsecured Claim	Preferential Claim	Unsecured Claim
Deborah Thomas	The Glass House	Mellor Brow	Mellor	Lancs	BB2 7EX		1,604.00	1,281.00	1,604.00

APPENDIX C

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS FROM
25 JANUARY 2019 TO 13 MARCH 2019**

	Statement of Affairs £	Received to date £
RECEIPTS		
Interest in Leasehold Land known as Basement of Appleton Point	59,970	Nil
Interest in Appleton Point lease and sub-leases	n/k	Nil
Interest in Bury FC Car Park lease and sub-leases	n/k	Nil
Potential Litigation in respect of Appleton Point	n/k	Nil
Inter Company Debts	n/k	Nil
Inter Company Debt from Bury FC	n/k	Nil
	<hr/>	<hr/>
	n/k	Nil
PAYMENTS		
None		Nil
		<hr/>
		Nil
		<hr/>
BALANCE IN HAND		Nil
		<hr/>

APPENDIX D

SUMMARY OF JOINT ADMINISTRATORS PRE-ADMINISTRATION COSTS

	Total		Average
	Units	Cost £	Hourly Rate £
Financial assessment	93	4,185.00	450.00
Strategy & purpose evaluation	60	2,700.00	450.00
Preparation of documents	10	150.00	150.00
Court related issues	389	17,505.00	450.00
Total	552	24,540.00	
Average Hourly Rate (£)		444.57	

All Units are 6 minutes

DETAILED ANALYSIS OF PRE-ADMINISTRATION COSTS

Financial Assessment

This time involved initially meeting with the director to obtain information on the Company's position and Advising the director on which insolvency process would be most appropriate.

In addition, further time was spent providing updates to relevant parties, including Capital Bridge Finance Limited and meeting with various advisors to Stewart Day.

Strategy & Purpose Evaluation

Time was spent conducting the following tasks:

- Liaising with the secured creditor, Capital, including preparation of a report on the Company's position and proposed strategy; and
- Liaising with Administrator of connected companies.

Preparation of Documents

Further time has been incurred setting up the case file to ensure that all statutory requirements were adhered to.

Court related issues

Significant time was spent conducting the following tasks:

- Preparation of an independent report in relation to the director's application to Court,;
- Assistance with preparation of witness statements from the director to include within the application to Court;
- Liaising with our instructed solicitor with regards to the application to Court;
- Dealing with all formalities relating to the appointment of Administrators;

JOINT ADMINISTRATORS' FEES ESTIMATE INCORPORATING TIME INCURRED 1 MARCH 2019

	FEES ESTIMATE			INCURRED TO 1 MARCH 2019		
	Total			Total		
	Units No	Cost £	Average hourly rate £	Units No	Cost £	Average hourly rate £
Statutory and review	250	7,625.00	305.00	-	-	-
Receipts and payments	185	5,562.50	300.68	2	82.00	410.00
Insurance, bonding and pensions	40	1,375.00	343.75	-	-	-
Assets	950	34,325.00	338.88	292	12,172.00	416.85
Liabilities	481	16,300.00	338.88	62	2,322.50	374.60
Landlords	80	3,315.00	414.38	-	-	-
Debenture Holder	120	5,030.00	419.17	-	-	-
General Administration	911	36,720.00	403.07	345	14,065.00	407.68
Appointment	50	1,275.00	255.00	50	1,275.00	255.00
Planning & Strategy	37	1,619.00	437.57	204	8,948.00	438.63
Post Appointment Creditors Meetings	47	2,033.50	432.66	-	-	-
Investigations	450	19,025.00	422.78	40	1,800.00	450.00
	3,601	134,205.00	372.69	995	40,664.50	408.69

APPENDIX E (CONTINUED)

JOINT ADMINISTRATORS' FEES ESTIMATE

DETAILS OF WORK PROPOSED TO BE UNDERTAKEN

Statutory and Review

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work will not directly result in any monetary value for creditors, it will ensure that the case is managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work to be carried out under this category will comprise the following:

- Case management reviews. These will be carried out periodically throughout the life of the case. In the early stages of the case this will involve weekly team meetings to discuss and agree case strategy and a month 1 review by the firm's Compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case progresses we will as a minimum carry out three monthly and six monthly reviews to ensure that the case is progressing as planned.
- Allocation of staff, management of staff, case resourcing and budgeting.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice;
- The team is required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. This will result in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years;
- Review of directors' sworn statement of affairs and filing of document at Companies House in accordance with statutory requirements; and
- Completion of case closing procedures at the end of the case.

Receipts and Payments

This category of work will not result in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Management of case bank account(s) to ensure compliance with relevant risk management procedures;
- Regular review of case bank account by senior member of staff to ensure that fixed and floating charge assets have been properly identified and prescribed part funds have been set aside where appropriate
- Preparation of periodic receipts and payments accounts for inclusion in in the first and final statutory reports and any additional reports which may be required as a result of an extension of the administration;
- Timely completion of all post appointment tax and VAT returns; and
- Managing estate expenses.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor.

- Notification and progression of post-appointment insurance claims;
- Periodic review of insurance requirements over physical assets, to minimise costs to the estate;
- Calculation and request of joint administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors;
- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice;
- Completion and submission of statutory notifications under the Pensions Act 2004. This includes liaising with the Company directors to establish the existence of Company pension schemes, making the statutory notifications under s22 and s120 of the pensions legislation; liaising with pensions providers to understand the nature of the scheme, and submitting claims to the Redundancy Payments Service for reimbursement of unpaid contributions to the scheme.
- Liaising with pension companies to arrange for prompt wind up of schemes

To date, time has been spent arranging the relevant insurance cover.

Assets

- Agreeing strategy for realisation of Company assets:

Basement, lease and sub leases at Appleton Point and Bury FC

- Review copies of leases;
 - Liaise with landlord / freeholders;
 - Liaise with authorities, including West Yorkshire Fire Service
 - Instruct agents to provide valuation advice;
 - Make enquiries of investors with regards to the terms of the leases;
 - Conduct a marketing process in relation to any interest held;
 - Liaise with interested parties; and
 - Complete sale of any interest held.
-
- Instruction of and liaising with agents as required;
 - Liaising with Company's bankers re pre-appointment bank accounts;
 - Identification and return of third party assets.
 - Making enquiries on the inter-company loans position

Liabilities

This category of time includes both statutory and non-statutory matters.

Statutory

- Processing of claims from the Company's creditors - All claims received from the Company's 22 unsecured creditors will be logged. Claims are not being formally agreed at this stage as they will be agreed should a dividend be payable to the floating charge creditors, resulting in the setting aside of a prescribed part;
- Processing of claims from the Company's employees - the 1 employee of the Company was made redundant upon our appointment. The Joint Administrators have instructed Insol Group (HR) Limited to assist in processing the relevant claims to the Redundancy payments Office on behalf of the employee. Further time will be spent calculating any residual claims not paid by the Redundancy Payments Office.
- Preparation, review and submission of pre-appointment tax and VAT returns; and

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- Preparation and submission of periodic progress reports to creditors – it is anticipated that a 6 month progress report and a final report will be issued during the course of the Administration.

Non-statutory

- Dealing with enquiries from the Company's creditors – in particular, significant time will be spent dealing with the investor creditors who will not be familiar with an insolvency process;
- Dealing with enquiries from the Company's employee.

To date, significant time has been spent dealing with enquiries from unsecured creditors.

Landlords

- Review of current leases in respect of Company premises; and
- Liaising with landlords and sub-tenants in respect of properties.

General Administration

- General planning matters;
- Setting up and maintaining the liquidators' records;
- Liaising with West Yorkshire Fire Service with regards prohibition notice;
- Arranging collection and storage of company records; and
- Dealing with general correspondence and communicating with directors and shareholders.

To date, significant time has been spent liaising with the West Yorkshire Fire Service and also dealing with general enquiries with regards the various properties and sub-leases.

Appointment

- Statutory notifications to creditors and other interested parties following the administrators' appointment;
- Preparation of case plan; and
- Formulation of case strategy, including recording of any strategic decisions.

Planning & Strategy

Time will be spent:

- Meeting with Company representatives with regards to the position of the Company;
- Monitoring the Administration to ensure the strategy and purpose can be achieved; and
- Holding internal meetings to discuss the strategy and plan next steps required.

To date, time has been spent meeting with the Company accountants and contacting the Company solicitors to obtain information to assist in the Joint Administrators investigations. In addition, time has been spent holding internal meetings with regards to the strategy of the Administration.

Post Appointment Creditors' Decisions

- Preparation of Joint Administrators' Proposals for achieving a statutory purpose of the administration;
- Preparation of Fees Estimate and Statement of Expenses in accordance with Insolvency (Amendment) Rules 2015; and
- Convening a decision by correspondence to agree Fees Estimate with appropriate body of creditors;
- Reporting on outcome of voting.

Investigations

Time will be spent:

- Collecting and reviewing the Company's records – this will mainly consist of reviewing bank statements and other information provided by creditors;
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the CDDA; and
- Investigating concerns raised by creditors and providing updates to the appropriate creditor(s).
- Investigating to ascertain if the Company has any claim for damages as a result of the inadequate construction of Appleton Point.

The submission of returns under the CDDA is a statutory requirement.

JOINT ADMINISTRATORS' STATEMENT OF LIKELY EXPENSES

Standard Expenses

Type	Description	Amount £
AML Checks	Electronic client verification	15.00
Bond Fee	Insurance bond	10.00
Document Hosting	Hosting of documents for creditors	348.00
Software Licence Fee	Case management system licence fee	87.00
Statutory Advertising	Advertising	85.95
Storage Costs	Storage of books and records	200.00
	Total standard expenses	745.95

Case Specific Expenses

Type	Description	Amount £
Legal Fees	Costs of appointed solicitors	5,000.00
Accountancy Fees	Assistance with investigations, statement of affairs and general tax advice	5,000.00
Employee Agents Fees	Assistance in processing employee claims	100.00
	Total case specific expenses	10,100.00

ESTIMATED OUTCOME STATEMENT

	Secured	Preferential	Unsecured
	£'000	£'000	£'000
Amount estimated available to class of creditor	n/k	n/k	Nil
Amount due to creditor per Appendix B	(Nil)	(1)	(3,956)
Estimated dividend rate (as a %)	Nil	n/k	0%

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard £	Complex £
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per individual

Mederco Limited - In Administration

Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders. Cost per upload	<table> <tr> <th>Type</th><th>First 100</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr> </table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£85.95 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision.

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration

Proof of Debt – General Form

Relevant date: 25 January 2019

Name of Company in Administration: **Mederco Limited**

Company registered number: **07694794**

1. Name of creditor (if a company, provide registration number)
2. Correspondence address of creditor (including email address)
3. Total amount of claim (£) at relevant date (include any Value Added Tax)
4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)
5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)
6. Details of any security held, the value of the security and the date it was given

7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

8. Details of any document by reference to which the debt relates

9. Signature of creditor (or person authorised to act on the creditor's behalf)

10. Date of signing:

11. Address of person signing (if different from 2 above)

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.