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### 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 9th Floor

7 Park Row

Post town Leeds

County/Region

Postcode LS15HD

Country

### 4 Administrator's name ①

Full forename(s) Sean

Surname Williams

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number Leonard Curtis

Street 9th Floor

7 Park Row

Post town Leeds

County/Region

Postcode LS15HD

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 1	<sup>d</sup> 9	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X

*P. R. Z.*

X

Signature date

<sup>d</sup> 1	<sup>d</sup> 9	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
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**Presenter information**

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

Contact name **James Smith**

Company name **Leonard Curtis**

Address **9th Floor**

**7 Park Row**

**Leeds**

Post town

County/Region

Postcode **L S 1 5 H D**

Country

DX

Telephone **0113 323 8890**

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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

**Important information**

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**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' Final Progress Report in accordance  
with Rules 3.53 and 18.3 of the Insolvency (England and Wales) Rules 2016**

**Report period**  
**25 July 2021 to 19 January 2022**

**19 January 2022**

**Phil Deyes and Sean Williams - Joint Administrators**  
**Leonard Curtis**  
**9th Floor, 7 Park Row, Leeds, LS1 5HD**  
**Tel: 0113 323 8890 Fax: 0113 323 8891**  
**[recovery@leonardcurtis.co.uk](mailto:recovery@leonardcurtis.co.uk)**  
**Ref: E/36/JSM/MA29L/1010**

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

**1 INTRODUCTION**

- 1.1 This report has been produced in accordance with Rules 3.53 and 18.3 of the Insolvency (England and Wales) Rules 2016 (“the Rules”) to provide creditors with an update on the progress of the Administration of Mederco Limited (“Mederco” or “the Company”) for the period from 25 July 2021 to 19 January 2022. This is the Joint Administrators’ final progress report to creditors.
- 1.2 The Administration of the Company is now for practical purposes complete. Section 10 of this report deals with how the Joint Administrators intend to bring the Administration to an end.
- 1.3 Much of the information contained in this report encompasses the whole period of the Administration. Please be aware, however, that where reference is made to “the period of this report”, this specifically means 25 July 2021 to 19 January 2022, being the period since the end of the period covered by the last progress report.

**2 STATUTORY INFORMATION**

- 2.1 Phil Deyes and Julien Irving were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice Business and Property Courts in Manchester – Company & Insolvency List (CHD), number 3286 of 2018 on 25 January 2019. The administration appointment was made by the Court.
- 2.2 As reported previously, Mr Irving ceased to act as Joint Administrator of this case on 17 April 2020, and Sean Williams was appointed in his place. Mr Williams is licensed in the UK by the Institute of Chartered Accountants in England and Wales under the officeholder number 11270.
- 2.3 The Administration is being handled by the Leeds office of Leonard Curtis, which is situated at 9th Floor, 7 Park Row, Leeds, LS1 5HD.
- 2.4 The principal trading address of the Company was Unit 18 Cunningham Court, Lions Drive, Blackburn, BB1 2QX. The business traded under its registered name.
- 2.5 The registered office address of the Company at the date of the appointment of the Joint Administrators was Unit 18 Cunningham Court, Lions Drive, Blackburn, Lancashire, BB1 2QX. Following the appointment, this was changed to 36 Park Row, Leeds, LS1 5JL. The registered office has subsequently been changed again to 9<sup>th</sup> Floor, 7 Park Row, Leeds, LS1 5HD, being processed by Companies House on 29 November 2021. The registered number of the Company is 07694794.
- 2.6 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.7 The Company’s main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

**3 JOINT ADMINISTRATORS' PROPOSALS**

- 3.1 Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were deemed approved by creditors on 1 April 2019.
- 3.3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.
- 3.4 The objective of the Administration is to realise property in order to make a distribution to one or more secured or preferential creditors. There have been no realisations in the Administration in respect of the Fixed Charge assets and therefore there has been no distribution made to the Fixed Charge creditors.
- 3.5 The objective of the Administration has been achieved as a preferential dividend of £500.00 has been paid in relation to the admitted preferential claims, totalling £1,444.08, thus equating to a preferential dividend of approximately 34.62 pence in the pound. Further details regarding this dividend are provided at section 7.8 of this report.

**4 PROGRESS OF THE ADMINISTRATION**

- 4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 25 July 2021 to 19 January 2022. Cumulative figures have also been provided to reflect transactions for the whole of the Administration period to date.

**Overview**

- 4.2 As discussed in our previous reports, the Company carried on the business of property development. The Director, Stewart Day, also ran a number of other property development companies and was also a previous Chairman of Bury Football Club Limited ("Bury FC").
- 4.3 Upon appointment of the Joint Administrators, it was noted that the Company held limited assets which mainly related to inter-company borrowings and the titles to the various head and sub underleases at two site car parks detailed below. Further investigations into the Company's financial records showed that there were various potential assets which are detailed below.
- 4.4 Over the progress of this Administration, five key asset tranches were identified and are:
- Long Leasehold interest in certain parking spaces within the flatted scheme at Appleton Point, Bradford;
  - Long Leasehold interest in the car park spaces at Bury FC;
  - Potential outstanding Directors Loan Account, which was identified as part of our investigations;
  - Outstanding deferred consideration in relation to the assignment of a potential debt between Bury FC and the Company; and
  - Various loans/advances to associated entities and subsidiary companies as identified following a review of the electronic records of the Company as at December 2018. An extract of the trial balance is shown below along with the current financial position of each entity.
- 4.5 Set out below is a summary of extracts taken from the electronic records of the company as at 19 January 2022.

## Inter-Company Transactions

Entity Name Recorded	Trial Balance Extract Number (£)	Status of Entity
The PFS Group Global Limited	507,070.67	Dissolved
Picture Homes Ltd	41,944.09	Dissolved
Picture Homes (Balby) Ltd	69,089.40	Dissolved
PFS Trawden	18,730.00	Dissolved
Picture Homes (Station Court)	384,782.30	Dissolved
Picture Homes Paddock Way	49,729.39	Receivership
Younique Property	4,673,482.28	Liquidation (no prospect of dividend)
Rainbow Homes	1,872,671.97	Receivership (no estimated surplus for unsecured creditors)
Rainbow Homes (Barrowford)	131,364.45	Insufficient Assets
Rainbow Homes (Estates)	183,773.19	Insufficient Assets (proposal to strike off)
Mederco YK	112,106.00	Dissolved
Mederco (Richmond Road)	35,618.50	Dissolved
Strongbox Holdings Ltd	108,991.40	Dissolved
Westbridge Associates Ltd	100,365.10	Proposal to Strike off
Ten Ten Acquisitions Ltd	268,607.00	Dissolved

4.6 The Joint Administrators have been unable to secure any financial records setting out the nature of the dealings between the parties save for bank statements and electronic Xero records showing the flow of funds between the various entities. The electronic accounting records also indicate that the originating funds in to the Mederco account came from money transfers from the other Mederco companies. In fact, it has been established that the other Mederco companies are in fact the largest creditors of this Administration and are also, themselves, subject to insolvency proceedings. The Mederco bank account acted as the hub bank account for all Mederco companies. As can be seen from the analysis above the recipient companies are either dissolved, struck off or with a proposal to strike off. None are in a position to repay any funds advanced. There are also no accounting records, providing any evidence of the nature of the loan/transfer which makes it difficult to pursue even if the above companies held any net worth.

4.7 During the period of this Administration, no realisations have been recovered in respect of the prospective inter-company balances.

**Leasehold land known as Basement Car Park, Appleton Point, Bradford – Remaining Car Parking spaces held under a Long Lease**

4.8 As discussed in our previous reports, the Company holds a residual interest in leasehold land known as the Basement Car Park, Appleton Point in Bradford. Appleton Point is a completed flatted scheme of 160 units and was developed by the Company. An overview of the asset was provided in our previous progress report dated 21 August 2019. The flats and accompanying freehold land had been sold some time ago, but there remained a residual number of car parking spaces totalling 10. A fire safety issue associated with the cladding of the building was identified following a fire safety inspection. This resulted in a Prohibition Notice being served in respect of the property and the building was evacuated until the remediation works required to the building had been carried out.

4.9 Responsibility for these works fell on the freeholder (the Company having sold the reversionary interest in the freehold prior to Administration). The necessary fire safety works were started and initially expected to be completed in April 2021 but as a consequence of Covid-19 and a lack of funds these works have been interrupted and have not been completed before the end of the Administration.

4.10 Post administration the Company has been invoiced £12,559.37 in respect of estimated service charge for the period 1 May, 2021 to 30 April, 2022 (£7,369.00 of this amount relates to the reopening works). The Company



does not have the funds to pay the service charge demand nor the outstanding insurance rent of £17,700.76. The Company has not been in occupation of the car park during the administration, but it is likely to be a condition of disposal of any car park lease, that the arrears of service charge would have to be paid by any incoming purchaser.

- 4.11 The remaining long leasehold interest in the car parking spaces is subject to a legal charge in favour of Capital Bridging Finance Solutions Limited ("CBFS"). As previously reported, CBFS has entered into Administration, with FRP Advisory Limited ("FRP") being appointed as the Administrators. CBFS have issued an initial claim in the Administration in the sum of £152,290.93.
- 4.12 The Administrators have obtained an updated opinion of value for the leasehold interest from a RICS registered valuer. This has confirmed that given the current inability to generate income, the fact that the scheme is non-operative and high service charge obligations and accruing arrears, the car parking spaces hold no value to the Administration, especially in light of the expected shortfall to the secured creditor.
- 4.13 We have approached FRP to ascertain if they would be interested in taking direct control of the lease, however, they have not taken any steps to take over the lease. Consequently, the lease will pass to the Crown, bona vacantia, when the Administration ends and the Company moves to dissolution. The Treasury Solicitor will then initially be responsible for any future dealings with the lease and can take steps to disclaim their interest in that lease should they choose.

### **Bury FC Car Park Spaces**

- 4.14 By way of background, and as previously reported, on 6 February 2015 the Company entered into a lease for 24 years from 1 January 2015 for 209 car parking spaces with Bury FC. A further lease to acquire 49 more car parking spaces was agreed on 25 September 2015. Both leases were granted for a nil premium.
- 4.15 Also, as mentioned in our previous reports, Bury FC has since entered into Administration following the failure of its Company Voluntary Arrangement.
- 4.16 During the period we have been in contact with the Administrator of Bury FC to ascertain whether any potential purchasers of the club's ground would be interested in acquiring the head lease (in relation to the car parking spaces, which remains in the ownership of the Company) upon purchase of the ground. Whilst we have been advised that a sale of the ground has been agreed, the purchaser did not want to purchase the car park leases.
- 4.17 The Administrators have obtained an updated valuation for the leases from a RICS registered valuer, who have advised that given the various obligations to sub-underleases granted from the head-lease in the form of defined rental commitments, the lease has no value in the open market and hence to the Administration. The strategy had been to elicit an offer from any potential purchaser of the football ground, but this has not been possible.
- 4.18 As a buyer for the leases cannot be found, the lease will pass to the Crown (bona vacantia) when the Administration ends and the company goes into dissolution. The Treasury Solicitor will then initially be responsible for any future dealings with the lease and may choose to disclaim it in due course.

### **Assignment of Bury FC Claim**

- 4.19 As stated in previous progress reports, the Joint Administrators entered into an agreement for the assignment of the debt stated to be due by the Club to the Company. The consideration agreed under the assignment was £70,000.00, of which the sum of £20,000.00 was received upon the assignment completing. During the period of this report an amount of £8,333.33 has been transferred from our solicitors, Knights plc, in regard to a previous debt payment. It was believed that this assignment would result in a greater return to the estate than remaining as an unsecured creditor of the Club, which has now been confirmed by the report which has been issued within the Administration of Bury FC, who has identified the prospect of a return to unsecured creditors as nil.

- 4.20 As a result of the assignment being breached with the sum of £41,666.67 outstanding, and under the terms of the assignment, it was deemed that action would be taken against the guarantor of the agreement. A Statutory Demand for this outstanding amount against the guarantor was issued in January 2021.
- 4.21 The statutory demand was defended by the guarantor and a number of Court dates had been set to finalise this matter however they were adjourned for various reasons, and a further Court date was set for 11 May 2021. Prior to this hearing a Tomlin Order was agreed between the Joint Administrators and the guarantor to settle the claim upon the payment of a final sum of £25,000.00, payable within three months of the Order - or the full residual sum becomes due and payable. Information had been supplied to the Administrators casting doubt on the financial viability of the guarantor if bankruptcy proceedings were issued. As part of the Tomlin Order, the application to set aside the statutory demand was dismissed, thus saving the costs of a formal Court Hearing.
- 4.22 No payments were received pursuant to the Order, with the full remaining balance of £41,666.67 now payable.
- 4.23 To date, the total sum of £28,333.33 has been received in relation to this matter. The Joint Administrators have assessed the position and having considered the prospective costs associated with a further extension to the period of Administration, it is considered that the costs would outweigh the prospective recoveries and would not benefit the administration estate. Any further recoveries (even if recovered in full) would first be applied to the approved remuneration of the Administrators and consequently there is no value to the estate by keeping the case open to collect this debt. The unpaid remuneration of the Administrators totals £136,660.65, relating to pre-appointment costs (£2,455.65), and approved post-appointment fees (£134,205.00). The outstanding claim balance of £41,666.67 will therefore be assigned to Leonard Curtis at the rate of £1 to allow this Administration to be concluded. Furthermore, there are no surplus funds with which to make further applications to Court to extend the Administration.

#### **Director's Loan Account**

- 4.24 As previously reported, the electronic records of the Company appeared to show, as at 31 December 2018, an amount due from the director of the Company, Stewart Day of £437,061.90. As there were no paper records identified relating to these advances, it was unclear whether this was part of a service contract with the Company, repayments of expenses due or perhaps a director's loan. We therefore wrote to the director advising him that it appeared his loan account was overdrawn in the sum of £437,061.90 based on the information gathered from the Company's Xero accounts as at 31 December 2018. We advised him that if this was a loan to him from the Company, it had to be repaid.
- 4.25 The director's accountant replied, disputing the balance referred to, advising that the director's loan account balance per Xero of £437,061.90 was incorrect as the brought forward balance entered on to Xero in 2016 should have actually been a credit balance of £1,736.26 rather than an overdrawn debit balance of £284,323.90. No substantive evidence was provided in this regard, albeit it was acknowledged that the balance was disputed.
- 4.26 In addition, we were subsequently provided with copies of the director's tax returns which indicated that the Company had declared a dividend for periods not shown within the director's loan account which would reduce the amount said to be due. The director was also a shareholder and the dividend shown as declared in the tax return remained unpaid. In the absence of any substantive evidence corroborating the aforementioned disputed director's loan balance recorded on Xero, on the premise that the overdrawn balance is £437,061.90, when taking into account dividends declared (but undrawn) and therefore offset against the loan account, this would result in a revised overdrawn director's loan account balance of £142,062.00.
- 4.27 It was clear the amount said to be due was disputed. Nonetheless, we have continued our discussions with the director regarding the outstanding balance in the hope of reaching a compromise and settlement. As part of these negotiations, the director supplied us with information as to his overall assets and liabilities, which included unsecured personal guarantees totalling c£20m emanating from the collapse of the Mederco group of companies – mainly personal guarantees given to Lendy (also now in Administration). In light of these significant other liabilities, if steps were taken to issue bankruptcy proceedings to recover any part of the loan account, it would crystallise these personal guarantees and dilute (if not eradicate) any recovery prospects. We have therefore

sought an out of Court settlement as this appeared to be in creditors best interest. A settlement was reached whereby the director agreed to pay £30,000.00 in full and final settlement of the claim in respect of the loan account with 3 deferred payments of £10,000.00 having been agreed. Despite this no payments were ever made. Initially it was anticipated sums would be recovered from the other debt noted at section 4.19 above which would assist in funding pursuing this claim. However, no additional funds became available.

- 4.28 The Joint Administrators, having made contact with the other appointed administrators of the other Mederco companies, are aware of there being multiple claims against the director that are presently under consideration or in the process of being commenced.
- 4.29 At this time, there is outstanding approved remuneration of the Joint Administrators in the sum of £136,660.65, of which £2,455.65 is in respect of approved pre-appointment fees and £134,205.00 in respect of approved post-appointment fees. Taking into account the potential recovery in full of £41,666.67, on the assignment of the Bury FC claim (as referred to in paragraph 4.23), any recovery of the £30,000.00 compromised settlement would only be utilised to defray the approved unpaid remuneration of the Joint Administrators. On that basis it is not economical or in creditors' best interests to extend the Administration further (plus there are no remaining funds to do so) it is proposed the claims will be assigned, for £1, to Leonard Curtis. All legal costs associated with the assignments will be borne by Leonard Curtis and not the Administration estate.

## 5 INVESTIGATIONS

- 5.1 As previously reported, following their appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 5.2 As previously reported and set out in section 4, there have been a number of ongoing enquiries during the course of the Administration and discussions have been conducted with key creditors and representative of creditors as regards to prospective next steps and how more detailed investigations could be commenced and funded given the lack of available funds within the estate. Section 4 refers to all matters that have been progressed during the course of the Administration, and provides an overview of the position as the Administration has now concluded, with the Company moving to dissolution.
- 5.3 Notwithstanding these investigations that have been progressed to conclusion during the course of the Administration, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

## 6 JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

### Pre-Administration Costs

- 6.1 On 3 April 2019, the secured creditor consented to the following pre-Administration costs and expenses being paid as an expense of the Administration:

Charged by	Services provided	Total amount charged £	Total amount paid £	Total 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.	24,540.00	22,084.35	2,455.65
Knights plc (previously Turner Parkinson)	General legal advice and assistance and drafting of administration application.	9,517.00	-	9,517.00
<b>TOTAL</b>		<b>34,057.00</b>	<b>22,084.35</b>	<b>11,972.65</b>

In previous progress reports, we have provided for an amount chargeable of £9,517.00 in respect of pre-appointment fees payable to Knights plc, however for clarification purposes, this figure was accrued WIP with the final fee to be aligned to the successful recovery against the director. No amounts relating to pre-appointment legal fees have been billed by Knights plc, and hence no amounts have been paid.

The costs that have been paid are detailed in the receipts and payments account attached at Appendix B.

#### Joint Administrators' Remuneration

- 6.2 In their Proposals the Joint Administrators proposed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration for an amount not exceeding £134,205.00, as set out in a Fees Estimate. On 4 April 2019, the preferential creditors, approved the basis of the Joint Administrators' fees as set out in the Fees Estimate. The secured creditor, CBFS did not approve the basis of the fees at the time and we continued to liaise with them over this matter.
- 6.3 The secured creditor, CBFS, themselves entered into administration on 26 March 2020, with insolvency practitioners FRP Advisory appointed as Joint Administrators. As a consequence of their appointment, the administrators became the relevant party to approve the basis of our remuneration on behalf of CBFS. Therefore, we provided them with copies of the previous correspondence in order that they could consider the approval of the Fees Estimate. They ultimately agreed to the basis of the fees being approved in line with the Fees Estimate, on 7 July 2020.
- 6.4 The Joint Administrators' time costs are summarised below:

	Hours No.	Rate / hr £	Total value of time £
Time previously reported to 24 July 2021	824.8	387.31	319,454.50
Time incurred in the period of this report from 25 July 2021 to 3 January 2022	68.1	353.92	24,102.00
<b>Total Administrators' time costs</b>	<b>892.9</b>	<b>384.76</b>	<b>343,556.50</b>

- 6.5 The time charged by the Joint Administrators for the period of this report from 25 July 2021 to 3 January 2022 amounts to £24,102.00. This represents 68.1 hours at an average rate of £353.92 per hour. A summary of time costs incurred in the period from 25 July 2021 to 3 January 2022 is attached at Appendix C. A detailed description of work undertaken attributable to each category of time costs and an explanation of why it was necessary for

that work to be performed is also provided at Appendix C. Further unposted time has been incurred in the period subsequent to 3 January 2022 in relation to the preparation of this final progress report, and matters relating to the finalisation of the Administration.

- 6.6 In addition, a summary of the Joint Administrators' time costs encompassing the whole of the Administration to 3 January 2022, incorporating a comparison with time costs as set out in the Joint Administrators' Fees Estimate, is attached at Appendix D.
- 6.7 You will note that time costs incurred do exceed the time as set out in the Fees Estimate. The areas where significant variance has occurred relate to the following:
- Statutory and Review – Increased time has been spent in their category due to the complexities of the case and the extensions to the period of the Administration which has required for additional case reviews to be undertaken. In addition, a significant amount of time has been spent in relation to the preparation of the Directors' Conduct Report. It should be noted that a large sum of time has been spent by senior members of staff with a higher charge out rate due to the nature of the Administration and the numerous investigations involved. This has also included reviewing the matter of the various other insolvency bodies which relate to this estate. As matters have progressed, additional reviews and enquiries have been required, which were not provided for at the time of preparing the Fees Estimate, as it was not foreseen that it would be necessary to extend the Administration.
  - Assets – Additional time costs have been incurred dealing with matters in relation to realising the Company's assets and the ongoing nature of this matter compared to that anticipated at the time of preparing the Fees Estimate. A significant amount of time has been spent dealing with Appleton Point and Bury FC. This has been due to the additional variables involved in realising these assets including the eventual insolvency of Bury FC which made the potential sale of the car park leases increasingly difficult and required additional discussions with the Administrators of Bury FC regarding a prospective sale of the grounds and the leases. It should also be noted that, due to a cladding matter with Appleton Point, regular contact has been required with the agents managing Appleton Point to assess and assist in the potential sale of the leases at the property. Further information is stated in section 4 of this report.
  - Liabilities – Additional time costs have been incurred in dealing with the unsecured creditors, including spending significant time liaising with solicitors who represent a large body of creditors at Appleton Point. More time than anticipated in the Fees Estimate has been spent reporting to creditors on the progress of the Administration due to the complexity of the case. Additional reports have been required to be drafted by the Joint Administrators due to the extension of the period of the Administration, including the application made to Court to allow for a second extension. It has been necessary to prepare six progress / final reports due to the Administration having been extended. In the absence of extending the Administration, a maximum of two progress / final reports would have been prepared. Due to the ongoing issues with Appleton Point and Bury FC we have spent additional time dealing with queries and complaints from various creditors due to the difficulties in realising these assets.
  - Debenture Holder – Less time has been spent in this category than envisaged as the secured creditor does not hold a debenture and instead has a fixed charge over the assets at Appleton Point.
  - General Administration – Additional time has been spent dealing with a higher than anticipated amount of general correspondence. This has included work undertaken in relation to the Company's assets and liabilities and gathering any available information regarding the Company's financial background and the Directors' financial means. It should also be noted that significant work has been undertaken gathering documentation and information relating to the various leases and sub underleases held by the Company and handling queries relating to progress and

compensation from the lease holders. Further work has also been undertaken in monitoring and discussing the sale of various Appleton Point properties with the relevant parties.

- Planning and strategy – Due to the complexities of the case, more time has been spent on planning and strategy than first envisaged. This has required regular reviews of the strategy on numerous occasions, such as in relation to collection of the deferred consideration. It should be noted that further strategy meetings have been held with senior members of staff relating to the cladding issues on Appleton Point and the Insolvency of Bury FC, as well as strategy meetings with the Administrators of Bury FC regarding the sale of grounds and car park leases.
- Post appointment creditors decisions – Further time has been spent in regard to this category in light of the time that was required to be incurred in seeking consent to extend the period of the Administration, and duly reporting the decisions as required, to all creditors, the Court and Companies House. It was not anticipated that it would be necessary to extend the period of the Administration at the time of preparing the Fees Estimate.
- Investigations – Further time has been spent dealing with ongoing investigations into the Company that were not anticipated at the date of the preparation of the Fees Estimate. This has included additional time spent reviewing the Company's records, meeting and liaising with relevant parties regarding the Company's affairs and liaising with the director to obtain further information. Significant time has been incurred due to having instructed forensic accountants to compile the relevant financial information to be reviewed by the Joint Administrators in order to indicate any potential avenues of realisations available to them within the estate. It should also be noted that further work has been undertaken in reviewing the historical transactions undertaken by the Company prior to the Administration which were far more complex than anticipated when the initial fees estimate was issued.
- Legal Services – Time spent by our in-house legal department was not included in the original fees estimate as the Joint Administrators did not expect to be in a position where they had to take legal advice at the outset of the Administration. Work undertaken by the legal team has included liaising with appointed solicitors in relation to the statutory demand issued on the personal guarantee, including assistance with the various adjourned hearings by the Court. They have also assisted the Joint Administrators with the application to Court to seek to extend the period of the Administration, assisted the Joint Administrators in relation to the legal liabilities of the leases and sub underleases held by the Company and assisting with, and providing legal advice, with regard the potential sale of these leases when potential purchasers have been identified, albeit no sales of the leases duly transpired.

6.8 Further guidance may be found in "Administration: A Guide for Creditors on Insolvency Practitioner Fees" (Version 1 – April 2021) which may be downloaded from:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>

6.9 If you would prefer this to be sent to you in hard copy please contact James Smith of this office on 0113 323 8890.

6.10 No remuneration has been drawn by the Joint Administrators.

6.11 As noted in Section 4, the Bury FC claim, along with the overdrawn Director's Loan Account balance, have been assigned to Leonard Curtis for the purpose of defraying outstanding costs due to the Administrators. The balance of time costs incurred but not settled by the assignment will be written off.

**Joint Administrators' Statement of Likely Expenses**

- 6.12 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are 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 a 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 expenses" and are subject to the approval of the creditors.

Additionally, with effect from 1 April 2021, the Joint Administrators are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to associates of Leonard Curtis. Payments to associates are subject to the same level of approval as the office holder's fees and category 2 expenses and further details are included at Appendix E and G.

On 7 July 2020, the secured creditor also approved that category 2 expenses could be drawn by the Joint Administrators, as detailed at Appendix G.

- 6.13 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix E.
- 6.14 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses.
- 6.15 Some expenses incurred, although nominal, were not included in the statement of likely expenses issued with the Proposals. These include legal disbursements, parking fees, staff mileage, other travel expenses and Land Registry Fees. Further costs have been paid to HMRC in respect of the pre-appointment Winding-Up-Petition ("WUP") that was issued by HMRC. Upon the dismissal of the WUP, HMRC sought an order that their associated costs in relation to the WUP be paid as an expense of the Administration and the Judge acceded to that request.
- 6.16 It should also be noted that due to changes in the firm's practices the costs of postage has now been included within the incurred expenses within the administration estate. This was not previously anticipated in the initial estimated expenses.
- 6.17 Attached at Appendix G is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade. Please be aware that the firm's charge out rates have been amended with effect from 1 March 2021.
- 6.18 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.
- 6.19 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.

- 6.20 The application must be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 6.21 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Administration.

## **7 OUTCOME FOR CREDITORS**

### **Secured Creditors**

#### **CBFS**

- 7.1 CBFS hold security by way of a Legal Charge over leasehold land known as Basement Car Park, Salem Street, Bradford, created on 19 May 2016 and delivered at Companies House on 1 June 2016. CBFS provided funding by way of a loan totalling £333,000.
- 7.2 Stewart Day initially advised that the loan secured by this charge has been repaid but following correspondence with them, CBFS have advised that their loan remains unpaid, and have submitted a claim in the administration in the sum of £152,291.
- 7.3 The level of distribution (if any) to CBFS was subject to the sale of the car parking spaces as detailed at sections 4.14 - 4.18 of this report and, subject to verification and admission of their claim. As a buyer for the leases cannot be found, there will be no distribution made to the secured creditor.

### **Preferential Claims**

- 7.4 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.
- 7.5 The Company employed one member of staff. Upon the Joint Administrators' appointment, the Company ceased to trade and this member of staff was made redundant.
- 7.6 Following the Joint Administrators' appointment, the employee made a claim for outstanding wages and holiday pay to the Redundancy Payments Service ("RPS"). The RPS made a payment directly to the employee and then the RPS lodged a claim against the Company in respect of the payment it has made and has therefore taken the employee's place as a creditor in the Administration.
- 7.7 Preferential claims received total £1,444.08.
- 7.8 On 14 January 2022, a first and final preferential creditor dividend of approximately 34.62 pence in the pound, totalling £500.00, was paid to preferential creditors with admitted claims, totalling £1,444.08. No further distributions will be made to the preferential creditors.

### **Prescribed Part**

- 7.9 The Act provides that, where a company has created a floating charge after 15 September 2003, a prescribed part of the company's net property must be made available to the unsecured creditors and not be distributed to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims.
- 7.10 As CBFS only hold a fixed charge and not a floating charge, the provisions of the Act relating to the Prescribed Part will not apply.



### **Unsecured Non-Preferential Claims**

- 7.11 The value of assets realised during the Administration, as detailed in section 4 of this report, has determined that there are not sufficient funds available to enable any form of distribution to unsecured creditors.
- 7.12 From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims under £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.

## **8 MATTERS STILL TO BE DEALT WITH**

- 8.1 All matters have been dealt with and consequently the Administration has now concluded.

## **9 EXTENSIONS TO THE ADMINISTRATION**

- 9.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 9.2 In certain circumstances it may be necessary to extend the administrators' term of office.
- 9.3 As you will be aware, the period of the administration was extended until 24 January 2022 with the consent of the Court. The Company will then move either to dissolution or to creditors' voluntary liquidation as appropriate.
- 9.4 No further extensions are required.

## **10 ENDING THE ADMINISTRATION**

- 10.1 The Administration is now for practical purposes complete.
- 10.2 There are insufficient funds available to allow payment of a dividend to unsecured creditors in this case. Once permission has been granted by the Court, the appropriate exit route from the Administration is Dissolution of the Company. Attached at Appendix I is Notice of Move from Administration to Dissolution ("The Notice"). On the registration of the Notice by Companies House, the Administration will be brought to an end and the appointment of the Joint Administrators will cease to have effect.
- 10.3 The Joint Administrators are currently in the process of making an application to the Court to seek discharge from liability in respect of any action(s) of their as Joint Administrators with effect from twenty-eight days from the date that the Notice is registered at Companies House or other date that the Court sees fit.
- 10.4 At the end of the period of three months beginning with the date of registration of the Notice at Companies House, the Company will be dissolved.

## **11 DATA PROTECTION**

- 11.1 Finally, when submitting details of your claim in the administration, you may disclose personal data to the Joint Administrators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Administrators act as Data Controllers in respect of personal data they obtain in relation to this administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix

H, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

If you wish to discuss the issues raised in this report or require any additional information please contact this office.

Yours faithfully  
for and on behalf of  
**MEDERCO LIMITED**



**PHIL DEYES**  
**JOINT ADMINISTRATOR**

Phil Deyes and Sean Williams are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 9089 and 11270, respectively

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.

**SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS**

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.

As detailed at 2.2 of the report references to Julien Irving are replaced by Sean Williams.

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM  
25 JULY 2021 TO 19 JANUARY 2022**

	Estimated to realise £	Previous periods £	This period £	Cumulative £
<b>RECEIPTS</b>				
Inter-Company Debts	-	20,000.00	8,333.33	28,333.33
Contribution Costs	-	4,825.00	-	4,825.00
Sundry Receipts	-	960.00	-	960.00
Deposit Interest Gross	-	17.33	-	17.33
Assignment of Bury FC Claim	-	-	1.00	1.00
Assignment of DLA	-	-	1.00	1.00
	<u>-</u>	<u>25,802.33</u>	<u>8,335.33</u>	<u>34,137.66</u>
<b>PAYMENTS</b>				
Pre-Appointment Administrators' Fee		(15,000.00)	(7,084.35)	(22,084.35)
Corporation Tax		(3.29)	-	(3.29)
Agents' Fees and Expenses		(576.00)	-	(576.00)
Solicitors' Fees and Expenses		-	(3,500.00)	(3,500.00)
Solicitors' Disbursements		(825.00)	(3,020.00)	(3,845.00)
Other Professional Fees		(1,245.00)	-	(1,245.00)
Disbursements CAT1		(1,151.98)	(263.31)	(1,415.29)
Disbursements CAT2		(66.33)	-	(66.33)
Costs of HMRC Winding Up Petition Application		-	(902.40)	(902.40)
		<u>(18,867.60)</u>	<u>(14,770.06)</u>	<u>(33,637.66)</u>
<b>DISTRIBUTIONS</b>				
Amounts Paid to Preferential Creditors (34.62p/£)		-	(500.00)	(500.00)
		<u>-</u>	<u>(500.00)</u>	<u>(500.00)</u>
<b>BALANCE</b>		<u>6,934.73</u>	<u>(6,934.73)</u>	<u>Nil</u>

SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD  
FROM 25 JULY 2021 TO 3 JANUARY 2022

	Total Units	Cost £	Average Hourly Rate £
Statutory and Review	41	1,125.50	274.51
Receipts and Payments	20	593.00	296.50
Insurance	3	100.50	335.00
Assets	229	9,236.00	403.32
Liabilities	320	10,660.50	333.14
General Administration	47	1,631.00	347.02
Planning and Strategy	15	476.50	317.67
Investigations	6	279.00	465.00
<b>Total</b>	<b>681</b>	<b>24,102.00</b>	<b>353.92</b>
All Units are 6 minutes			

**DESCRIPTION OF TIME SPENT BY CATEGORY****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 ensures that the case is managed efficiently and resourced appropriately, which is of benefit to all creditors. The work carried out under this category during the period of this report to 3 January 2022 has comprised the following:

- Case management reviews. These have been carried out periodically throughout the life of the case. As the case has progressed we as a minimum have carried out three monthly and six monthly reviews to ensure that the case has progressed as planned and has adhered to regulatory and statutory requirements, in addition to conducting ad hoc reviews between the case manager and administrator; 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. The work carried out during the period of this report to 3 January 2022 has comprised the following:

- Periodic review and update of the Estimated Outcome Statement ("EOS") to ensure that the case has progressed as planned, and to identify outstanding costs and prospective asset realisations;
- Timely completion of all post appointment VAT returns;
- Preparation and submission to HMRC of Form VAT 7 to arrange that the Company be de-registered for VAT purposes; 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. The work carried out during the period of this report to 3 January 2022 has comprised the following:

- 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.

**Assets**

The work set out in this category may bring a financial benefit for creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be set aside for the benefit of unsecured creditors) or may, depending on realisations, costs and the extent of any 3<sup>rd</sup> party security, result in a distribution to the preferential and / or unsecured creditors. The work carried out during the period of this report to 3 January 2022 has comprised the following:

- Discussions with director and former accountant with regard to the proposed settlement of the outstanding Director's Loan Account, with a full and final settlement sought. Payment requested in a timely manner, but not forthcoming;
- During the period we have been in contact with the Administrator of Bury FC to ascertain whether any potential purchasers of the club's ground would be interested in acquiring the head lease (in relation to the car parking spaces, which remains in the ownership of the Company) upon purchase of the ground. Whilst we have been advised that a sale of the ground has been agreed, the purchaser did not want to purchase the car park leases;
- The Administrators have obtained an updated valuation for the leases relating to the Bury FC parking spaces from a RICS registered valuer, who have advised that given the onerous rent obligations the leases have no value to the Administration;
- The Administrators have obtained an updated opinion of value for the leasehold interest relating to the Appleton Point leases from a RICS registered valuer. This has confirmed that given the current inability to generate income and high service charge obligations the car parking spaces hold no value to the Administration, especially in light of the expected shortfall to the secured creditor;
- Review of statement of account with regard to the service charge at Appleton Point;
- Liaise with CAM requesting that they provide an agents advice and recommendation with regard to the prospective value that the Appleton Point and Bury FC car parks have;
- Conducting Land Registry search to confirm current owners of the freehold of Appleton Point;
- The Joint Administrators have approached FRP to ascertain if they would be interested in taking direct control of the lease at Appleton Point, however, they have not taken any steps to take over the lease; and
- Consider a prospective assignment of the Bury FC claim following extensive discussions with Knights solicitors with regard to the Tomlin Order and outstanding personal guarantees.

### **Liabilities**

This category of time includes both statutory and non-statutory matters and will not necessarily bring any financial benefit to creditors generally. The more employees and creditors a company has, the more time and cost will be involved in dealing with those claims. The work carried out during the period of this report to 3 January 2022 has comprised the following:

#### *Statutory*

- Preparation and submission of the Joint Administrators' fifth progress report to creditors; and
- Commencement of drafting of the Joint Administrators' final progress report.

#### *Non-statutory*

- Dealing with enquiries from the Company's creditors;
- Review of correspondence received from investor re Appleton Point car park spaces; and
- Drafting and issue of HMRC case closure clearance letters.

### **General Administration**

This category of work does not result in a direct financial benefit for creditors; however it is necessary for these tasks to be completed in order to ensure the smooth and efficient progression of the administration:

- General planning matters including discussions in regard to lease positions on Bury FC and Appleton Point;
- Maintaining the Administrators' records including filing of all electronic and physical documents in the relevant files on the Admin System;
- Liaise with FRP Advisory requesting clarity on their intentions over the basement car park lease at Appleton Point; and
- Dealing with general correspondence and communicating with various parties including liaising with investors of the Appleton Point car park spaces in regard to queries raised relating to which.

### **Planning and Strategy**

- Discussions between the Joint Administrators and the case administrator to discuss and review action points in regard to the progression of outstanding matters relating to the Administration and case closure procedures.

### **Investigations**

Some of the work administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ("CDDA") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations. It may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Administrator can pursue for the benefit of creditors. The work carried out during the period of this report to 3 January 2022 has comprised the following:

- Liaise with third parties as appropriate re pertinent matters relating to enquiries that have been ongoing during the Administration as part of previously referred to investigative matters.



**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS  
FROM 25 JANUARY 2019 TO 3 JANUARY 2022  
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS' INITIAL FEES ESTIMATE**

	FEES ESTIMATE			INCURRED TO 3 JANUARY 2022			VARIANCE
	Total			Total			
	Units	Cost	Average	Units	Cost	Average	Cost
	No	£	hourly rate £	No	£	hourly rate £	£
Statutory and Review	250	7,625.00	305.00	773	27,902.00	360.96	20,277.00
Receipts and Payments	185	5,562.50	300.68	206	7,058.50	342.65	1,496.00
Insurance	40	1,375.00	343.75	29	1,028.50	354.66	(346.50)
Assets	950	34,325.00	361.32	1,980	86,080.50	434.75	51,755.50
Liabilities	481	16,300.00	338.88	2,105	73,872.50	350.94	57,572.50
Landlords	80	3,315.00	414.38	-	-	-	(3,315.00)
Debenture Holder	120	5,030.00	419.17	10	450.00	450.00	(4,580.00)
General Administration	911	36,720.00	403.07	1,483	58,711.00	395.89	21,991.00
Appointment	50	1,275.00	255.00	80	1,770.00	221.25	495.00
Planning and Strategy	37	1,619.00	437.57	656	27,893.00	425.20	26,274.00
Post Appointment Creditor Decisions	47	2,033.50	432.66	314	12,538.50	399.32	10,505.00
Investigations	450	19,025.00	422.78	1,161	39,493.00	340.16	20,468.00
LEGAL SERV – Preparation	-	-	-	75	3,889.50	518.60	3,889.50
LEGAL SERV – Attendance	-	-	-	13	604.50	465.00	604.50
LEGAL SERV – Drafting Docs	-	-	-	15	697.50	465.00	697.50
LEGAL SERV – Tel Call	-	-	-	5	275.00	550.00	275.00
LEGAL SERV – Email Out	-	-	-	24	1,292.50	538.54	1,292.50
Total	3,601	134,205.00	372.69	8,929	343,556.50	384.76	209,351.50
All Units are 6 minutes							

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES  
FROM 25 JULY 2021 TO 19 JANUARY 2022  
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'  
STATEMENT OF LIKELY EXPENSES**

Standard Expenses (All Category 1 Disbursements – except \* after 1 April 2021)

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML checks	Business Tax Centre	Electronic client verification	15.00	10.00	-	10.00	-
Bond fee	AUA Insolvency Risk Services	Insurance bond	10.00	98.00	-	98.00	-
Document hosting*	Pelstar	Hosting of documents for creditors	348.00	231.00	33.60	197.40	33.60
Software licence fee*	Pelstar	Case management system licence fee	87.00	87.00	-	87.00	-
Statutory advertising	Courts Advertising	Advertising	85.95	85.95	-	85.95	-
Storage costs	Charles Taylor	Storage of books and records	200.00	348.77	160.71	348.77	-
Postage	Postworks	Cost of Postage	-	317.37	12.10	317.37	-
		<b>Total standard expenses</b>	<b>745.95</b>	<b>1,178.09</b>	<b>206.41</b>	<b>1,144.49</b>	<b>33.60</b>

\* Payment to associate requiring specific creditor / committee approval if drawn after 1 April 2021

**MEDERCO LIMITED – IN ADMINISTRATION****Case Specific Expenses**

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Professional fees	Younique Accountancy	Assistance with investigations, Statement of Affairs and general tax advice	5,000.00	-	-	-	-
Professional fees	Evolve IS Limited	Assistance in processing employee claims	100.00	245.00	-	245.00	-
Professional fees	Garbutt and Elliot	Forensic Reporting on Company's financial documents	-	1,000.00	-	1,000.00	-
Legal fees	Knights plc (previously Tuner Parkinson)	Costs of appointed solicitors	5,000.00	3,500.00	-	3,500.00	-
Legal disbursements	Knights plc (previously Tuner Parkinson)	Legal disbursements	-	3,845.00	3,020.00	3,845.00	-
Staff mileage (CAT2)	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	-	66.33	-	66.33	-
Travel expenses (CAT1)	Leonard Curtis	Travel expenses	-	106.50	-	106.50	-
Parking fees (CAT1)	Leonard Curtis	Parking fees	-	10.84	-	10.84	-
Land registry (CAT1)	Land Registry	Land Registry fee	-	30.00	9.00	30.00	-
Corporation Tax	HMRC	Corporation Tax	-	3.29	-	3.29	-
Legal fees (CAT1)	Farleys Solicitors	Cost of appointed solicitors to assist with block transfer order	-	123.46	-	123.46	-
Agents Fees	Younique	Xero Subscription	-	576.00	-	576.00	-
Costs of HMRC Winding Up Petition	HMRC	Costs associated with the pre-appointment HMRC Winding Up Petition	-	902.40	902.40	902.40	-
		<b>Total case specific expenses</b>	<b>10,100.00</b>	<b>10,408.82</b>	<b>3,931.40</b>	<b>10,408.82</b>	<b>-</b>

ESTIMATED OUTCOME STATEMENT

	Secured £'000	Preferential £'000	Unsecured £'000
Amount available to class of creditor	0	0.5	0
Amount due to creditor per Estimated Financial Position	(152)	(1.4)	(11,600)
Estimated dividend rate (as a %)	Nil	34.62%	Nil

**LEONARD CURTIS POLICY REGARDING FEES AND EXPENSES**

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 the appropriate body of creditors 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 request and obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rates given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

	<b>6 Jan 2014 onwards</b>		<b>1 Aug 2019 onwards</b>		<b>1 March 2021 onwards</b>	
	Standard	Complex	Standard	Complex	Standard	Complex
	£	£	£	£	£	£
Director	450	562	525	656	550	688
Senior Manager	410	512	445	556	465	581
Manager 1	365	456	395	494	415	518
Manager 2	320	400	345	431	365	456
Administrator 1	260	325	280	350	295	369
Administrator 2	230	287	250	313	265	331
Administrator 3	210	262	230	288	245	306
Administrator 4	150	187	165	206	175	219
Support	0	0	0	0	0	0

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

**Use of Associates**

We are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to Associates of Leonard Curtis. The term "Associate" is defined in s435 of the Insolvency Act 1986 but we are also required to consider the substance or likely perception of any association between the appointed insolvency practitioner, their firm (LC) or an individual within the firm and the recipient of a payment. Payments to Associates are subject to the same level of approval as the office holder's fees and category 2 expenses (see table below).

Whilst we are not aware of any third parties who meet the legal definition of "Associate" we are aware that there is a perceived association between LC and Pelstar Limited. Pelstar Limited provides insolvency case management software and document hosting facilities to LC. LC employs an individual who is married to a director of Pelstar Limited. Pelstar Limited's costs are set out in the tables below.

**Use of 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.

## MEDERCO LIMITED – IN ADMINISTRATION

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.

### Use of 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.

### Categorisation of 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 via Smartsearch	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 search																								
Bond / Bordereau fee via AUA Insolvency Services	Insurance bond to protect the insolvent entity against any 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 via Companies House	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Hosting of documents via a secure portal for access by creditors/shareholders. Costs are charged per upload plus VAT and are generally dependent upon the number of creditors. The costs are commensurate with those charged by other providers of comparable services.	<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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BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Software Licence fee hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Payable to software provider for use of case management system. The costs are commensurate with those charged by other providers of comparable services.	£87.00 plus VAT per case																								
Postage via Royal Mail or Postworks	Cost of posting documents which are directly attributable to a case to external recipients	Calculated in accordance with applicable supplier rates and dependent on the number of pages and whether the document is sent by international, first or second class post.																								
Post re-direction via Royal Mail	Redirection of post from Company's premises to office-holders' address	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00																								

## MEDERCO LIMITED – IN ADMINISTRATION

Statutory advertising via advertising agents	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 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 but may not be restricted to:

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 expenses	See Category 1 and 2 expenses notes below	See Category 1 and 2 expenses notes below

Please note that expenses are generally categorised as Category 1 or Category 2:

- a) Category 1 expenses: These are payments to independent third parties providing the service to which the expense relate. These may include, for example, advertising, external room hire, storage costs, postage costs, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 expenses may be paid without prior approval.
- b) Category 2 expenses: These are costs that are directly referable to the appointment in question, but not paid to an independent third party. They may include costs which have an element of shared cost. The following items of expenditure are recharged on this basis and are charged at HMRC approved rates:

Business mileage	45p per mile
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Payments to Associates (as defined above) are categorised by LC in the same way as Category 2 expenses. Category 2 expenses and payments to Associates may only be drawn if they have been approved in the same manner as an office holder's remuneration.

**LEONARD CURTIS  
PRIVACY NOTICE FOR CREDITORS**

**Information we collect and hold about you**

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

**Legal justification for processing your Personal Data**

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

**How we use your information**

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

**Who we share your information with**

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

**How long will we hold your Personal Data for?**

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

**Your rights in respect of your Personal Data**

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.



### **Your right to complain**

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

### **Contacting us**

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5<sup>th</sup> Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: [privacy@leonardcurtis.co.uk](mailto:privacy@leonardcurtis.co.uk).

**Data Controller: LEONARD CURTIS**

NOTICE OF MOVE FROM ADMINISTRATION TO DISSOLUTION

# AM23

## Notice of move from administration to dissolution



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 7 6 9 4 7 9 4

Company name in full Mederco Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Court details

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

Court number 3 2 8 6 o f 2 0 1 8

### 3 Administrator's name

Full forename(s) Phil

Surname Deyes

### 4 Administrator's address

Building name/number Leonard Curtis

Street 9th Floor

7 Park Row

Post town Leeds


County/Region

Postcode L S 1 5 H D

Country

AM23

Notice of move from administration to dissolution

<b>5</b>	<b>Administrator's name ①</b>		
Full forename(s)	Sean		<b>① Other administrator</b> Use this section to tell us about another administrator.
Surname	Williams		
<b>6</b>	<b>Administrator's address ②</b>		
Building name/number	Leonard Curtis		<b>② Other administrator</b> Use this section to tell us about another administrator.
Street	9th Floor		
	7 Park Row		
Post town	Leeds		
County/Region			
Postcode	L S 1 5 H D		
Country			
<b>7</b>	<b>Final progress report</b>		
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report		
<b>8</b>	<b>Sign and date</b>		
Administrator's signature	Signature X  X		
Signature date	d 1 9 m 0 1 y 2 0 y 2 2		

**Presenter information**

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

Contact name **James Smith**

Company name **Leonard Curtis**

Address **9th Floor**

**7 Park Row**

**Leeds**

Post town

County/Region

Postcode **L S 1 5 H D**

Country

DX

Telephone **0113 323 8890**

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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

**Important information**

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

**Where to send**

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

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

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**