

WU07

Notice of progress report in a winding-up by the court



Companies House

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12/07/2017

#48

COMPANIES HOUSE

1 Company details

Company number 0 3 8 7 2 4 3 9

Company name in full Northern Refugee Centre

→ Filing in this form
Please complete in typescript or in bold black capitals.

2 Liquidator's name

Full forename(s) Diana

Surname Frangou

3 Liquidator's address

Building name/number RSM Restructuring Advisory LLP

Street St Philips Point
Temple Row

Post town Birmingham

County/Region

Postcode B 2 5 A F

Country

4 Liquidator's name

Full forename(s) Guy Edward Brooke

Surname Mander

● Other liquidator
Use this section to tell us about another liquidator.

5 Liquidator's address

Building name/number RSM Restructuring Advisory LLP

Street St Philips Point
Temple Row

Post town Birmingham

County/Region

Postcode B 2 5 A F

Country

● Other liquidator
Use this section to tell us about another liquidator.

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

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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 Diana Frangou

Company name RSM Restructuring Advisory LLP

Address St Philips Point
Temple Row

Post town Birmingham

County/Region

Postcode B 2 5 A F

Country

DX

Telephone 0121 214 3100

 **Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

 **Important information**

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

 **Where to send**

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

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

 **Further information**

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

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

In the matter of

**Northern Refugee Centre In Liquidation
(‘the Company’)**

in the High Court of Justice (Chancery Division) Manchester District Registry no 3329 of 2015

Joint Liquidators’ progress report

10 July 2017

**Diana Frangou and Guy Edward Brooke Mander
Joint Liquidators**

**RSM Restructuring Advisory LLP
St Philips Point
Temple Row
Birmingham B2 5AF**

Tel: 0121 214 3100

Email: restructuring.birmingham@rsmuk.com

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Purpose of report

This report has been prepared in accordance with insolvency legislation to provide creditors and members of the Company with information relating to the progress of the liquidation in the period from 13 May 2016 to 12 May 2017.

This report has been prepared solely to comply with the requirements of the relevant legislation. It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

Neither the Liquidators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

1 Joint Liquidators' appointment

Diana Frangou and Guy Edward Brooke Mander of RSM Restructuring Advisory LLP, St Philips Point, Temple Row, Birmingham, B2 5AF were appointed Joint Liquidators of Northern Refugee Centre on 13 May 2016 by The Secretary of State.

2 Receipts and payments summary

We attach as Appendix B a summary of our receipts and payments for the period from 13 May 2016 to 12 May 2017.

VAT basis

Receipts and payments are shown net of VAT. As the Company was not VAT registered, and consequently VAT is not recoverable from HM Revenue and Customs, the irrecoverable VAT is shown in the receipts and payments account as a 'cost of realisation'.

3 Creditors' claims

Creditors' claims as set out in the Official Receiver's handover information totalled £166,745.

3.1 Dividend prospects for creditors

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix A, including any amount under the prescribed part. Please note that these are indicative only and should not be used as the sole or principal basis for any bad debt provision or other purposes. They may be subject to revision and additional costs.

In accordance with the relevant legislation no dividend will be distributed as the funds realised have already been either distributed or allocated for defraying the expenses of the estate.

3.2 Prescribed part

The 'Prescribed Part' is a statutory amount, calculated as a percentage of net floating charge realisations, which entitles unsecured creditors to a share of realisations. This is calculated on a sliding scale up to maximum of £600,000 before costs.

There are no creditors secured by charges over the assets and undertakings of the Company created on or after 15 September 2003. There is therefore no requirement to estimate the amount of the Prescribed Part of the assets under Section 176A of the Insolvency Act 1986 (as amended).

4 Conduct of the winding-up in the previous twelve months

4.1 Realisation of assets

Cash at bank

During the period under review a total of £9,662.50 was received into the liquidation estate from the Company's bank accounts.

Monies held by a third party

Prior to the liquidation, the director sought advice from a firm of accountants, who held company monies in their client account. The sum of £11,925.67 has been received in respect of the monies held.

Rates Refund

A business rates refund of £140.44 was received during the period under review.

ISA interest

Interest accrued on the Company's ISA account totalling £52.37 has been received during the period.

4.2 Administration and planning

The Joint Liquidators have carried out tasks including, but not limited to, dealing with the commencement of the case administration, statutory filing of appointment documents with Companies House, day-to-day case administration duties, maintenance of records and on-going statutory obligations. These include, but are not limited to, reporting to creditors on the progress of the liquidation and liaising with the Company's directors with regards to the assets. Other matters which are required to be dealt with as part of the appointment and which will fall under this category include case planning and strategy, case reviews, bonding, obtaining company searches and statutory advertising.

5 Details of what remains to be done and matters preventing closure

5.1 Assets remaining to be realised

The director disclosed a book debt of c£20,000 in the pre-information provided by the Insolvency Service. The NHS ("the debtor") advised that the debt relates to a non-discretionary grant. The debtor disputes the debt and is refusing to pay due to the Company's purported breach of the covenants.

Considerable time has been spent corresponding with the debtor and the director in respect of this matter and we hope to reach an agreeable settlement in due course.

6 Joint Liquidators' remuneration, expenses and disbursements

6.1 Basis of remuneration

The basis of the Joint Liquidators' remuneration and disbursements were approved by the creditors at a meeting of creditors on 30 March 2017, when the following resolutions was passed:

That in accordance with the fees proposal provided to creditors on 14 March 2017 the Joint Liquidators shall be authorised to draw their remuneration (plus VAT) based upon their time costs limited to the sum of £30,000.

The Liquidators be authorised to draw 'category 2' disbursements out of the assets as an expense of the liquidation, at the rates prevailing at the time the cost is incurred.

Details of the current rates are attached at Appendix D. An analysis of time incurred in the period is attached at Appendix F. Sums drawn in respect of remuneration in the period covered by this report are shown in the receipts and payments account (Appendix B).

However, no category 2 disbursements were incurred in the period under review.

6.2 Remuneration and expenses (including disbursements) incurred in the period from 13 May 2016 to 12 May 2017

In accordance with insolvency legislation I am required to report remuneration 'charged'. This reflects the time charged to the case.

In accordance with the fees estimate the Joint Liquidators cannot draw more than £30,000 without obtaining the further approval of the creditors.

If there are insufficient realisations to allow the Joint Liquidators' approved remuneration to be paid in full, any balance will be written off. Details of any write off will be set out in the final account.

Details of the amount of remuneration drawn in the period are detailed in the section below headed 'Total remuneration incurred and paid to date since appointment'.

6.2.1 Expenses and disbursements

Details of the expenses (which included category 1 and category 2 disbursements) of £73 that I considered were likely to be incurred from March 2017 was sent to creditors on 14 March 2017.

A statement of the expenses incurred during the period compared to the original estimates, is attached at Appendix E. This includes all expenses incurred by the Joint Liquidators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The amounts paid in the period are also included: those payments are shown in the receipts and payments abstract at Appendix B with cumulative figures.

6.2.2 Total remuneration incurred and paid to date since appointment

I have incurred time costs of £29,614.10 in respect of work done in the current period (a summary of which is provided at Appendix F) in accordance with the resolution set out above. Of this, a total of £10,000 (plus VAT) has been paid and the balance remains outstanding. Details of the sums drawn in respect of remuneration for the period covered by this report are set out in the receipts and payments account (Appendix B).

7 Creditors' right to information and ability to challenge remuneration and expenses

In accordance with the provisions of rule 18.9 Insolvency (England and Wales) Rules 2016 creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses under rule 18.34.

If you wish to make a request for further information then it must be made within 21 days of receipt of this report in writing by either by (i) any secured creditor or (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors.

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 court on the grounds that the remuneration charged, the basis fixed or expenses incurred by the Liquidator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

Should you have any queries please do not hesitate to contact me.

Yours faithfully



Diana Frangou
RSM Restructuring Advisory LLP
Joint Liquidator

restructuring.birmingham@rsmuk.com
Direct Line: 0121 214 3382

Encls

Diana Frangou and Guy Mander are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

Appendix A

Statutory, dividend and other information

Company name:	Northern Refugee Centre	
Company number:	03872439	
Court & reference:	In the High Court of Justice (Chancery Division) Manchester District Registry No. 3329 of 2015	
Date of appointment:	13 May 2016	
Joint Liquidators:	Diana Frangou and Guy Edward Brooke Mander	
Date of incorporation:	2 November 1999	
Previous company names:	None	
Trading name:	Northern Refugee Centre	
Trading address:	Exchange Brewery, 2 Bridge Street, Sheffield, South Yorkshire, S3 8NS	
Principal activity:	Other Service Activities not elsewhere classified	
Registered office:	RSM Restructuring Advisory LLP St Philips Point Temple Row Birmingham, B2 5AF	
Correspondence address & contact details of case manager	Mark Knight RSM Restructuring Advisory LLP, St Philips Point, Temple Row, Birmingham B2 5AF Email: restructuring.birmingham@rsmuk.com	
Name, address & contact details of Joint Liquidators	Primary Office Holder Diana Frangou RSM Restructuring Advisory LLP St Philips Point Temple Row Birmingham, B2 5AF 0121 214 3329 IP Number: 9559	Joint Office Holder: Guy Edward Brooke Mander RSM Restructuring Advisory LLP St Philips Point Temple Row Birmingham, B2 5AF 0121 214 3304 IP Number: 8845

Dividends	Owed	Paid to Date	Estimated future Prospects
Preferential creditors	£13,165	Nil	Not known
Unsecured creditors	£191,762 claimed to date	Nil	Nil
Estimated net property	N/A		
Estimated prescribed part available for unsecured creditors	N/A – no creditors secured under fixed and floating charge		

Appendix B

Summary of receipts and payments

Receipts and Payments Abstract: Northern Refugee Centre In Liquidation

Bank, Cash and Cash Investment Accounts: From: 13 May 2016 to 12 May 2017

SOA Value £		13/05/2016 to 12/05/2017		
		£	£	£
	ASSET REALISATIONS			
9,506.70	Cash at Bank - CAF Bank	9,638.14		9,638.14
24.36	Cash at Bank - HSBC	24.36		24.36
0.00	Deposit on Creditors Petition	0.00		1,350.00
0.00	Donations	29.40		29.40
0.00	ISa Interest	52.37		52.37
11,925.67	Other Current Assets	11,925.67		11,925.67
0.00	Sundry Receipts	<u>140.44</u>		<u>140.44</u>
			21,810.38	23,160.38
	COST OF REALISATIONS			
0.00	Advertisements	(84.60)		(84.60)
0.00	Corporation Tax	(5.38)		(5.38)
0.00	Document Storage	(1,500.00)		(1,500.00)
0.00	ISA Cheque Fees	(4.65)		(4.65)
0.00	ISA Quarterly Charges	(88.00)		(88.00)
0.00	ISA Tax on Interest	(9.66)		(9.66)
0.00	Liquidators' Disbursements	(233.44)		(233.44)
0.00	Liquidators' Fees	(10,000.00)		(10,000.00)
0.00	Mail Redirection	(175.00)		(175.00)
0.00	Official Receiver's Fee	0.00		(2,520.00)
0.00	Secretary of State Fees	(1,479.16)		(4,438.01)
0.00	Storage Costs	(436.60)		(436.60)
0.00	Sundry Costs	<u>(29.40)</u>		<u>(29.40)</u>
			(14,045.89)	(19,524.74)
<u>21,456.73</u>			<u>7,764.49</u>	<u>3,635.64</u>
	REPRESENTED BY			
	Insolvency Service Account (ISA)		1,184.71	
	VAT Receivable (Payable)		<u>2,450.93</u>	
				<u>3,635.64</u>
				<u>3,635.64</u>

Appendix C

RSM Restructuring Advisory LLP

Charging, expenses and disbursements policy statement

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
- The current charge rates for RSM Restructuring Advisory LLP Birmingham are attached.
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A resolution to consider approving category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Birmingham will be proposed to the relevant approving party in accordance with the legislative requirements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.

Appendix D

RSM Restructuring Advisory LLP

Joint Liquidators' current charge out and category 2 disbursement rates

Hourly charge out rates		
	Rates at commencement	Current rates
	£	£
Partner	450	495
Directors / Associate Directors	280 – 385	310 – 425
Manager	220	245
Assistant Managers	130 – 175	145 – 195
Administrators	100 – 145	110 – 160
Support staff	85	95

Category 2 disbursement rates	
Internal room hire	£25/80 per room
Subsistence	£25 per night
Travel (car)	42.5p per mile
'Tracker' searches	£10 per case

Appendix E

Statement of expenses (category 1 & category 2) incurred by the Joint Liquidators in the period from 13 May 2016 to 12 May 2017

	£			
	Original estimate of costs to be incurred from March 2017	Incurred to date	Paid to date	Unpaid to date
Bond	-	85.00	85.00	-
Statutory advertising	73.00	225.04	225.04	-
Website fee	-	8.00	8.00	-
Storage agent	-	1,936.60	1,936.60	-
Mail redirection	-	175.00	175.00	-
Legal fees	Unknown	-	-	-
Total	73.00*	2,429.64	2,429.64	Nil

*If legal fees are incurred, the fees will be restricted by the level of realisations.

Appendix F

Joint Liquidators' time cost analysis for the period from 13 May 2016 to 12 May 2017

Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
Administration and Planning									
Appointment	0.5	0.0	6.5	0.0	6.9	0.0	13.9	£ 2,347.70	168.90
Background information	0.0	0.0	0.0	0.0	1.6	0.0	1.6	£ 154.60	96.63
Case Management	2.5	0.0	6.8	0.5	50.0	3.4	63.2	£ 9,465.00	149.76
Director(s)/debtor/bankrupt	0.0	0.0	0.0	0.0	3.4	0.0	3.4	£ 495.10	145.62
Pension Scheme	0.0	0.0	0.0	0.0	2.0	0.0	2.0	£ 276.50	138.25
Post-appointment - general	0.1	0.0	0.0	0.0	1.0	0.0	1.1	£ 144.10	131.00
Pre-appointment matters	0.0	0.0	2.0	0.0	0.0	0.0	2.0	£ 440.00	220.00
Receipts and Payments	0.0	0.0	0.0	12.6	2.3	0.5	15.4	£ 2,145.50	139.32
Tax Matters	0.0	0.0	0.5	0.0	0.9	0.0	1.4	£ 244.00	174.29
Total	3.1	0.0	15.8	13.1	68.1	3.9	104.0	£ 15,712.50	151.08
Investigations									
DTI/Official Receiver	0.6	0.0	0.0	0.0	2.6	0.0	3.2	£ 666.50	208.28
Investigations/CDDA	0.0	0.0	0.0	0.0	5.9	0.0	5.9	£ 760.40	128.88
Total	0.6	0.0	0.0	0.0	8.5	0.0	9.1	£ 1,426.90	156.80
Realisation of Assets									
Assets - general/other	0.0	0.0	3.5	0.0	1.2	0.0	4.7	£ 949.60	202.04
Debtors & sales finance	0.5	0.0	4.8	0.0	10.4	0.0	15.7	£ 2,724.20	173.52
Land and Property	0.5	0.0	8.3	0.0	1.2	0.0	10.0	£ 2,171.00	217.10
Total	1.0	0.0	16.6	0.0	12.8	0.0	30.4	£ 5,844.80	192.26
Creditors									
1st creditors/shareholders meetings and reports	1.0	0.0	0.0	0.0	1.8	0.0	2.8	£ 693.00	247.50
Employees	0.0	0.0	12.7	0.3	2.0	0.0	15.0	£ 2,845.90	189.73
Other Creditor Meetings and Reports	0.8	0.0	3.3	0.0	4.7	0.0	8.8	£ 1,874.00	212.95
Unsecured Creditors	0.0	0.0	2.0	0.0	5.7	0.5	8.2	£ 1,217.00	148.41
Total	1.8	0.0	18.0	0.3	14.2	0.5	34.8	£ 6,629.90	190.51
Total Hours	6.5	0.0	50.4	13.4	103.6	4.4	178.3	£ 29,614.10	166.09
Total Time Cost	£ 3,078.00	£ 0.00	£ 10,976.50	£ 1,942.70	£ 13,240.40	£ 376.50	£ 29,614.10		
Total Hours	6.5	0.0	50.4	13.4	103.6	4.4	178.3	£ 29,614.10	166.09
Total Time Cost	£ 3,078.00	£ 0.00	£ 10,976.50	£ 1,942.70	£ 13,240.40	£ 376.50	£ 29,614.10		
Average Rates	473.54	0.00	217.79	144.98	127.80	85.57	166.09		