

WU07

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



Companies House

For further information, please
refer to our guidance at
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1 Company details

Company number 0 1 0 3 8 4 3 5

Company name in full Moorgate Industries Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Phillip

Surname Sykes

3 Liquidator's address

Building name/number 25 Farringdon Street

Street

Post town London

County/Region

Postcode E C 4 A 4 A B

Country

4 Liquidator's name ①

Full forename(s) Karen

Surname Spears

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 25 Farringdon Street

Street

Post town London

County/Region

Postcode E C 4 A 4 A B

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 0	^d 3	^m 1	^m 0	^y 2	^y 0	^y 1	^y 9	
To date	^d 0	^d 2	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	Signature X 	X							
Signature date	^d 2	^d 7	^m 1	^m 1	^y 2	^y 0	^y 2	^y 0	

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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 **Phillip Sykes**

Company name **RSM Restructuring Advisory LLP**

Address **25 Farringdon Street**

Post town **London**

County/Region

Postcode

E	C	4	A		4	A	B
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Country

DX

Telephone **0203 201 8000**



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

**Moorgate Industries Limited In Liquidation
(‘the Company’)**

In the High Court of Justice no 007845 of 2018

Joint Liquidators' progress report

27 November 2020

**Phillip Sykes and Karen Spears
Joint Liquidators**

**RSM Restructuring Advisory LLP
25 Farringdon Street
London
EC4A 4AB
Tel: 0203 201 8000
Email: restructuring.london.core@rsmuk.com**

Sections

1. Conduct of the winding-up in the previous twelve months
2. Details of what remains to be done and matters preventing closure
3. Creditors' claims and dividend prospects
4. Receipts and payments summary
5. Joint Liquidators' remuneration, expenses and disbursements
6. Creditors' right to information and ability to challenge remuneration and expenses

Appendices

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- B. Dividend prospects
- C. Summary of receipts and payments
- D. RSM Restructuring Advisory LLP charging, expenses and disbursements policy statement
- E. Joint Liquidators' current charge out and disbursement rates
- F. Statement of expenses incurred by the Joint Liquidators' in the period from 3 October 2019 to 2 October 2020
- G. Joint Liquidators' time cost analysis for the period from 3 October 2019 to 2 October 2020

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 3 October 2019 to 2 October 2020. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

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

1.1 Realisation of assets

1.1.1 Book Debts

During the period £30,478.38 was realised in respect of book debts due from Group subsidiaries.

1.1.2 Bank Interest

£537.52 was received in bank interest on the funds held in the estate bank account.

1.1.3 Funding Loan & Intercompany Loan to Moorgate Industries Finance Limited (MIFL)

In January 2020 the Company entered into a \$7,065,000 Super Senior Facility Agreement (the SSFA). The loan was obtained to allow the group to continue with an orderly wind down and pursue the asset realisations within the Group. The loan is fully non-recourse and payable only from asset realisations in the Group. The SSFA has been fully drawn down and the funds transferred to MIFL in accordance with an intercompany loan agreement to pursue asset realisations within the Group.

During the reporting period arrangement/commitment fees of \$381,680 and interest of \$223,556 have been charged on the SSF. Interest is charged monthly on the intercompany loan with MIFL and \$165,659.06 was charged during the period.

During the period \$1,497,983 (£988,954) of the SSF was repaid.

1.2 Administration and planning

Certain aspects of the work that the Joint Liquidators undertake are derived from the underlying legal and regulatory framework for cases of this nature. This work, which does not usually result in any direct financial benefit to creditors, is a necessary aspect of ensuring that the Joint Liquidators are complying with both of their legislative and best practice responsibilities and ensuring that the case is managed efficiently and effectively. It includes matters such as:

- Periodic case reviews, ongoing case planning and strategy
- Maintaining and updating computerised case management records
- Dealing with routine correspondence not attributable to other categories of work
- Ongoing consideration of ethical and anti-money laundering regulations
- General taxation matters
- Preparation of receipts and payments accounts, maintenance of cashiering records
- Preparing, reviewing and issuing annual report to creditors and other parties

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

2.1 Assets remaining to be realised

The only assets that remain to be realised are debts due from Group subsidiaries. The Liquidators are working closely with the directors of Moorgate Industries UK Limited to continue to pursue the remaining realisable amounts.

3 Creditors' claims and dividend prospects

Creditors' claims as set out in the Statement of Affairs from the Administration are detailed in Appendix B.

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix B, 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.

The Joint Liquidators are obliged to deal with a number of matters in relation to creditors to comply with both the legislative and best practice requirements and to ensure creditors are kept informed. Creditors

will only derive an indirect financial benefit from this work on cases where a dividend has been paid or is due to be paid:

- Preparation and issue of progress reports and associated documentation
- Maintenance of schedules of preferential and unsecured creditors' claims
- Dealing with correspondence and telephone calls
- Where necessary, consideration of creditors' claims; acceptance or rejection of claims and complying with legislative obligations in relation to adjudication of creditors' claims generally for voting and, if applicable, dividend purposes

4 Receipts and payments summary

We attach as Appendix C a summary of our receipts and payments for the period from 3 October 2019 to 2 October 2020.

4.1 VAT basis

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

5 Joint Liquidators' remuneration, expenses and disbursements

5.1 Closure costs in prior administration

Details of the actual costs incurred in closing the previous administration procedure are identified in the receipts and payments account.

The firm's charging, expenses and disbursements policy was provided with the Joint Administrators' proposals. A further copy is included at Appendix D.

5.2 Authority for remuneration, expenses and disbursements

The basis of the Joint Liquidators' remuneration is approved by the creditors committee on a time cost basis.

5.3 Remuneration and expenses incurred in the period from 3 October 2019 to 2 October 2020 and since appointment

In accordance with insolvency legislation the Joint Liquidators are required to report remuneration 'charged'. This reflects the time charged to the case

The Joint Liquidators have incurred time costs of £49,611.00 in respect of work done in the current period, a summary of which is attached. Time costs of £43,748.50 have been paid from the funds held in the estate during the period.

In total the creditors committee have approved fees of £106,235 since the date of appointment to 30 September 2020, of which £98,995 has been paid during the period.

5.4 Expenses and disbursements

Attached are the Joint Liquidators' charging, expenses and disbursement policy statement, together with current rates. Details of the expenses (including category 1 and category 2 disbursements) that the Joint Liquidators have incurred in the period of the report are also attached. Expenses paid in the period, along with cumulative figures, are shown in the attached receipts and payments account.

5.4.1 Other professional costs

Addleshaw Goddard LLP solicitors were instructed as legal advisors in respect of the SSFA in view of their general experience and expertise in these matters. I have agreed their remuneration on the basis of their standard hourly charge-out rates, plus VAT and disbursements, and their agreed fees of £10,908.00 plus VAT have been paid.

6 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.

A Creditors' Guide to Liquidators' Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at <https://rsmuk.ips-docs.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

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

Yours faithfully



Phillip Sykes
RSM Restructuring Advisory LLP

Appendix A

Statutory information

Company information	
Company name:	Moorgate Industries Limited
Company number:	01038435
Date of incorporation:	14/01/1972
Trading name:	Moorgate Industries Limited
Principal activity:	Holding Company for an international steel trading group
Registered office:	RSM Restructuring Advisory LLP 25 Farringdon Street London EC4A 4AB

Liquidation information		
Joint Liquidators:	Phillip Sykes and Karen Spears	
Date of appointment:	03/10/2018	
Court & reference:	In the High Court of Justice No. 007845 of 2018	
Appointment Method:	By court	
Functions:	The Joint Liquidators' appointment specified that they would have power to act jointly and severally. The Joint Liquidators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment.	
Correspondence address & contact details of case manager	Lucy Christian RSM Restructuring Advisory LLP, 25 Farringdon Street, London, EC4A 4AB Email: restructuring.london.core@rsmuk.com	
Name, address & contact details of Joint Liquidators	Primary Office Holder Phillip Sykes RSM Restructuring Advisory LLP 25 Farringdon Street, London, EC4A 4AB 0203 201 8624 IP Number: 6119	Joint Office Holder: Karen Spears RSM Restructuring Advisory LLP 25 Farringdon Street, London, EC4A 4AB 0203 201 8421 IP Number: 8854

Appendix B

Dividends Prospects

	Owed ¹	Paid in the Liquidation	Estimated future Prospects in the Liquidation
Secured creditors	£1,072,550,842	£1,068,830.04 ²	Shortfall
Preferential creditors	NIL	N/A	N/A
Unsecured creditors	£ 48,459,914	Nil	None

¹ As Per the Directors Statement of Affairs dated 2 October 2015. Payments were made to the secured and unsecured creditors during the Administration, details of which can be found in the statutory progress reports prepared by the Joint Administrators.

² Distributions of USD 1,510,249.77 have been paid to the Participating Senior Lenders

Appendix C

Summary of receipts and payments

Statement of Affairs £	From 03/10/2019 To 02/10/2020 £	From 03/10/2018 To 02/10/2020 £
SECURED ASSETS		
Corporation Tax Refund	NIL	187,500.00
Interest on tax refund	NIL	1,761.15
Recoveries from Book Debts	30,478.38	882,504.35
Less costs	Nil	(2,935.46)
Bank Interest	537.52	603.63
VAT Refunds	NIL	129,038.26
Drawdown of funding loan	4,662,350.77	4,662,350.77
Refund of overcharged Interest on funding loan	68.92	68.92
Repayment of MIFL Loan	943,693.36	943,693.36
Interest received on MIFL Loan	45,261.22	45,261.22
	5,682,390.17	6,849,846.20
COSTS OF REALISATION		
Bank Charges	0.75	1.20
Bordereau Premium	85.00	85.00
Companies House/Other Searches	13.00	13.00
Company Seal/ Notary Charges/ Passp	116.69	116.69
Corporation Tax	107.51	120.73
Legal Fees	10,908.00	10,908.00
Office Holders Fees	43,748.50	98,995.00
Postage / Couriers	217.60	217.60
Statutory Advertising	69.00	69.00
Storage Costs	78.95	78.95
Travel	24.00	24.00
	(55,369.00)	(110,629.17)
SECURED CREDITORS		
Distribution on direction of the Participating Senior Lenders	30,478.38	1,068,830.04
Loan to MIFL	4,662,419.69	4,662,419.69
Repayment of Funding Loan	735,861.04	735,861.04
Interest paid on Funding Loan	22,120.75	22,120.75
Fees paid on Funding Loan	230,972.79	230,972.79
	(5,681,852.65)	(6,720,204.31)
COST OF REALISATIONS		
Bank Charges	66.00	154.00
OR Debit transfers	NIL	5,000.00
OR General Fee	NIL	6,000.00
	(66.00)	(11,154.00)
	(54,897.48)	7,858.72
REPRESENTED BY		
Fixed Charge Vat Receivable		9,956.80
ISA 41 Suspense		9,055.92
ISA Main		(11,154.00)
		7,858.72

Appendix D

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 London 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 London 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 E

Joint Liquidators' current charge out and disbursement rates

Hourly charge out rates		
	Rates at commencement	Current rates
	£	£
Partner/Consultant	625	625
Directors / Associate Directors	450 - 575	450 - 575
Manager	345	345
Assistant Managers	280	280
Administrators	105 - 210	105 - 210
Support staff	90 - 190	90 - 190

Category 2 disbursement rates	
Subsistence	£25 per night (from 3 rd September 2013)
Travel (car)	42.5p per mile (from 1 April 2011)
'Tracker' searches	£10 per case

Appendix F

Statement of expenses incurred in the period from 3 October 2019 to 2 October 2020

Expenses (excluding category 2 disbursements) Type and purpose	Incurred in period	
	Paid £	Unpaid £
Storage		53.75
Courier/postage		73.92
Sub Total		127.67

Appendix G

Joint Liquidators' time cost analysis for the period from 3 October 2019 to 2 October 2020

03/10/2019 to 02/10/2020	Administration and Planning									
	Appointment	0.0	0.0	0.0	0.5	0.2	0.0	0.7	£ 163.00	232.86
	Background information	0.0	0.0	0.0	0.2	0.0	0.0	0.2	£ 56.00	280.00
	Case Management	12.8	3.1	0.1	9.8	4.2	5.1	35.1	£ 13,322.00	379.54
	Director(s)/debtor/bankrupt	4.0	0.1	0.0	6.0	0.0	0.0	10.1	£ 4,237.50	419.55
	Pre-appointment matters	1.0	0.0	0.0	0.0	0.0	0.0	1.0	£ 575.00	575.00
	Receipts and Payments	0.0	0.7	0.3	4.5	11.8	0.0	17.3	£ 4,007.00	231.62
	Tax Matters	1.0	0.0	0.0	3.7	1.7	0.9	7.3	£ 1,822.50	249.66
	Total	18.8	3.9	0.4	24.7	17.9	6.0	71.7	£ 24,183.00	337.28
	Investigations									
	Investigations/CDDA	0.3	0.0	0.0	0.0	0.0	0.0	0.3	£ 157.50	525.00
	Total	0.3	0.0	0.0	0.0	0.0	0.0	0.3	£ 157.50	525.00
	Realisation of Assets									
	Assets - general/other	3.4	0.0	0.0	4.6	0.0	0.0	8.0	£ 3,383.00	422.88
	Debtors & sales finance	2.0	0.0	0.0	0.0	0.0	0.0	2.0	£ 1,250.00	625.00
	Total	5.4	0.0	0.0	4.6	0.0	0.0	10.0	£ 4,633.00	463.30
	Creditors									
	Committee	0.0	0.0	0.0	8.6	0.0	0.0	8.6	£ 2,408.00	280.00
	Other Creditor Meetings and Reports	1.5	0.1	0.0	11.7	4.6	0.0	17.9	£ 4,708.00	263.02
	Secured Creditors	3.7	0.0	0.0	14.3	2.0	0.0	20.0	£ 6,506.50	325.33
	Unsecured Creditors	0.9	0.0	0.0	3.3	0.0	0.4	4.6	£ 1,522.50	330.98
	Total	6.1	0.1	0.0	37.9	6.6	0.4	51.1	£ 15,145.00	296.38
	Case Specific Matters - Legal Matters									
	Legal Matters	8.5	0.0	0.0	0.1	0.2	0.7	9.5	£ 5,492.50	578.16
	Total	8.5	0.0	0.0	0.1	0.2	0.7	9.5	£ 5,492.50	578.16
		39.1	4.0	0.4	67.3	24.7	7.1	142.6	£ 49,611.00	347.90
		£ 24,097.50	£ 2,075.00	£ 138.00	£ 18,844.00	£ 3,478.50	£ 978.00	£ 49,611.00	£ 49,611.00	
Average Rates		616.30	518.75	345.00	280.00	140.83	137.75	347.90		