

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



A26 *A88NFD9S* 29/06/2019 #87
COMPANIES HOUSE

e

1 Company details

Company number 0 1 5 2 5 3 3 0

Company name in full MILDROSE LIMITED

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

2 Liquidator's name

Full forename(s) DEVDUTT PATEL

Surname

3 Liquidator's address

Building name/number BALTIC HOUSE

Street 4 & 5 BALTIC STREET EAST

Post town LONDON

County/Region

Postcode E C 1 Y 0 U J

Country

4 Liquidator's name ①

Full forename(s)

Surname

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

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

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

MILDROSE LIMITED-IN CREDITORS VOLUNTARY LIQUIDATION
PROGRESS REPORT
27 June 2019

MILDROSE LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

PROGRESS REPORT

PREPARED AND FILED IN ACCORDANCE WITH RULES 18.3 AND 18.7 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016.

27 June 2019

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1. Introduction
2. Background
3. Asset Realisations
4. Investigations
5. Creditors' Claims
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APPENDICES

1. Receipts and Payments Account
2. Analysis of Time Costs

Notice:

This Report has been prepared solely to comply with liquidator's statutory duty under the Insolvency Act 1986 and Insolvency (England and Wales) Rules 2016 to provide creditors with an update on the progress of this liquidation and for no other purpose.

This Report is not suitable for any investment decision in relation to any financial interest or debt in the company.

Any estimated outcomes included in this Report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for individual creditors.

Any person who chooses to rely on this Report for purpose or context other than under the Insolvency Act 1986 and Insolvency (England and Wales) Rules 2016 does so at their own risk.

The office holder does not assume any responsibility and will not accept any liability in respect of this Report.

MILDROSE LIMITED-IN CREDITORS VOLUNTARY LIQUIDATION
PROGRESS REPORT
27 June 2019

Mildrose Limited
In Creditors' Voluntary Liquidation

Progress Report in accordance with Section 104A (1)
Of the Insolvency Act 1986

MILDROSE LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

PROGRESS REPORT

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1. INTRODUCTION

In accordance with section 104A of the Insolvency Act 1986 and further to the appointment of liquidator of the above-named company on 29 April 2016, this progress report to the Members and Creditors of the company is for the year ended 28 April 2019.

The report details the acts and dealings of the Liquidator and it should be read in conjunction with previous correspondence and reports to creditors.

2. BACKGROUND

The first meetings of members and creditors respectively were held on 29 April 2016 and, Devdutt Patel of D M Patel & Co, Baltic House, 4 & 5 Baltic Street East, London EC1Y 0UJ, was appointed Liquidator of the company on the same day.

The company's principal activity was that of property dealing and development and its trading address was 92 Brondesbury Park, London NW2 5JU.

The board attributes company's failure to directors/ shareholders being unable to provide financial support to the company following the collapse of the company's investment in the renewable energy project.

The company did not have suitable security to offer to lender and hence there was no prospect of obtaining external financing to enable the company to continue to trade.

Statutory Information:-

Company name: Mildrose Limited

Company number: 01525330

Date of Incorporation: 29.10.1980

Registered in England and Wales

Registered office: 447 Kenton Road, Harrow, Middlesex HA3 0XY

Changed for the purpose of liquidation to:

C/o D M Patel, Baltic House, 4 & 5 Baltic Street East, London EC1Y 0UJ

The company's centre of main interest is in the UK. Accordingly, the Council Regulations (EC) No: 1346/2000 of 29 May 2000 on insolvency proceedings will apply. These proceedings are the main proceedings as defined in Article 3 of the EC Regulations.

3. ASSET REALISATIONS

The Receipts & Payments Account for the period from 29 April 2018 to 28 April 2019 and cumulative for the period of liquidation is attached at Appendix 1.

According to the statement of affairs lodged in this liquidation, the realisable assets were Stock with an estimated realisable value of £8,000 and Cash at bank of £62.40. The company was not registered for VAT purposes. Details of realisations and payments made are self-explanatory, details of which are given below and shown in the summary of Liquidator's receipts and payments account.

Stock:

As stated at the time of liquidation, no professional valuation was undertaken of stock, which in this case was a piece of land behind the property situated 68 Lillie Road, London. Soon after the commencement of liquidation, Andrews Estate Agents of 170-172 Putney High Street, London SW15 1RS (the Agents) were appointed to value and market the land.

They discovered that the land did not have free access as it was at the rear with no pathway to it.

Accordingly, this was expected to generate little or limited interest from potential buyers. The agents had valued the parcel at circa £8,000.00.

Cash at bank:

The cash at bank realised the sum as shown in the Receipts and Payments Account is self-explanatory.

Other Assets:

The assets that were shown on the Statement of Affairs have been realised, however, enquiries are continuing into company's investments, disposals and/or distributions made prior to the commencement of liquidation.

Transactions with connected parties

The Liquidator instructed Agents to undertake marketing and sale of company's small parcel of locked land situated behind a property it had developed in London. The Agents are local to the area and have requisite knowledge and profile in the surrounding part of London. They are professional independent estate agents and deemed well able to dispose of the Company's assets using the most advantageous methods available to them.

One independent purchaser had expressed an initial interest in purchasing the Company's land for £5,000.00, which was well below the Agents' opinion on its worth. The said purchaser then increased his offer by 10% to £5,500.00, which was subsequently raised to the estimated to realise figure of £8,000.00 shown in the Statement of Affairs.

The charge-holders had expressed an interest in the said asset were invited to contact the agents directly to progress their interest. The charge-holders are connected with the Company because they represented on the board of directors and are also members of the Company.

The agents, having weighed up the advantages of a swift sale, which would avoid the ongoing costs of marketing the assets, against the potential of attracting a better offer albeit that this would involve incurring more costs, concluded that offer was very likely to represent the best net realisation for the asset and they recommended that the offer be accepted. Consequently, the Company's locked parcel of land was sold to charge-holders on 5 October 2016 for £8,000.00, which was received in full by the company solicitors on that date.

4. INVESTIGATION

Under the Company Directors' Disqualification Act 1986, it is the statutory duty of the liquidator to investigate the conduct of the directors of the company in the three years prior to the insolvency of the company.

An initial investigation into the company's affairs was undertaken to establish whether there were any potential asset recoveries or conduct matter that justified further investigation. The investigation in acquisition by the company of an investment has not been concluded; there is an ongoing enquiry by HM Revenue and Customs.

An appropriate report on the conduct of the directors was prepared and submitted to the Insolvency Service.

The content of this report, however, is confidential and cannot be disclosed to any third party without the approval of the Insolvency Service or the leave of Court.

5. CREDITORS' CLAIMS

Secured creditors

There is one debenture registered at the Companies House, which appears to be outstanding. The short particulars describe it as a fixed and floating charge over company's land, stocks, shares and securities both present and future.

Under the provisions of Section 176A of the Insolvency Act 1986 the Liquidators must state the amount of funds available to unsecured creditors in respect of the prescribed part.

This provision only applies where the company has granted a floating charge to a creditor after 15 September 2003. In accordance with the aforesaid provisions it would appear to give rise to a prescribed part subject to adjudication by the liquidator.

Preferential creditors

I have received no claims from the preferential creditors; none were expected in this liquidation.

Unsecured creditors

The unsecured creditors, as per the statement of affairs totalled £394,476. The final claim received from HM Revenue and Customs is for £1,314,207.24 of which £1,194,275.24 is claimed under Regulation 80 for Income tax of £872,703.00 and National Insurance of £321,572.24; £416,085.19 for Accelerated Payment; £41,608.52 towards late payment penalty and £5,560.60 for Corporation tax Penalties and Interest. The claim has been reduced by £343,322.31 but may change should subsequent arrears arise at a later date.

DIVIDEND PROSPECTS

Based on current information and after taking into account the expenses of the liquidation, the assets realised are not sufficient to pay dividend to any class of creditors in this liquidation.

6. COSTS AND EXPENSES

The payments shown on the summary Receipts and Payments account at Appendix 1 are self-explanatory.

Statement of affairs fee

The statement of affairs fees of £5,000.00 plus VAT plus disbursements were approved by the creditors. The fees have been paid.

Liquidation fees and disbursements:

The basis of remuneration was fixed by the members and creditors of the company at their respective meetings. The liquidator has spent 67.90 hours up to date of second anniversary, giving a charge of £19,698.00 at an average rate of £290.10 per hour. The time costs are detailed at appendix 2. The total time cost during the period of appointment to the date of this report is £21,492.00 at an average hourly rate of £290.40.

Liquidator's Disbursements:

The Liquidators category 1 disbursements for the period from 29 April 2018 to 28 April 2019 and cumulative since the date of liquidation represent payments made on account of the assignment. The expenses of liquidation, such as have been met from liquidation account, are shown in the Receipts and Payments account.

The Liquidator's category 2 disbursements, which may include an element of overhead charges for the period from 29 April 2018 to 28 April 2019 and cumulative since the date of liquidation amounts to £Nil. The basis of calculation of this category of disbursement would be disclosed to creditors prior to the resolution being passed.

Other professional Costs

Agents & professional advisers:

Andrews Estate Agents were engaged for valuation, marketing and sale of stock were paid £960.00, including VAT.

Batemans, Solicitors, were engaged for conveyance of stock and their fees and disbursements amounted to £559.00.

7. FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8

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weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

8. CONCLUSION

The liquidator is intending to continue with administering this liquidation in order to finalise outstanding matters as soon as possible. There are no other exceptional points to note.

Should further information be required on the contents of this report, kindly write to the liquidator's office.



D M Patel
Liquidator

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APPENDIX 1

Mildrose Limited (In Liquidation)
Summary of Liquidator's Receipts and Payments
Period from 29.04.2016 to 28.04.2019

Estimated to Realise as per Statement of Affairs	From 29.04.2016 To 28.04.2018	From 29.04.2018 To 28.04.2019	From 29.04.2018 To 27.06.2019	TOTAL
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Receipts

	£	£	£	£	
Stock	8,000.00	8,000.00	-	-	8,000.00
Cash at bank	62.40	73.67	-	-	73.67
Refunds- Land registry	-	23.00	-	-	23.00
Interest received	-	1.95	0.06	-	2.01
VAT	-	-	-	-	-
TOTAL	8,062.40	8,098.62	0.06	-	8,098.68

Payments

	£	£	£	
Statement of affairs and first meetings fees	5,000.00	-	-	5,000.00
Statutory Advertising costs	242.38	-	-	242.38
Insolvency bonding premium	180.00	-	-	180.00
Legal and professional fees & costs	559.00	-	-	559.00
Agent's fees	960.00	-	-	960.00
Liquidator's fees	-	-	-	-
VAT	1,047.40	-	-	1047.40
TOTAL	7,988.78	-	-	7,988.78

Surplus/(Deficit) for the period	109.84	0.06	-	109.90
Balance at bank brought forward	0.00	109.84	109.90	0.00
Balance at bank carried forward	109.84	109.90	109.90	109.90

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APPENDIX 2

TIME COSTS ANALYSIS

Cumulative for the period from 29 April 2016 to 28 April 2019

D M Patel & Co	Period from 29.04.2016 to 28.04.2018 Hours	Cost per hour £180/£240/ £300.00	Period from 29.04.2018 to 28.04.2019 Hours	Cost per hour £180/£240/ £300.00 £	Total Hours 29.04.2016 to 28.04.2019	Total Cost 29.04.2016 to 28.04.2019
Statutory matters	1.20	216.00	0.40	72.00	1.60	288.00
Case administration and planning	7.00	1,680.00	1.00	240.00	8.00	1,920.00
Asset realisation and investigation	40.90	12,270.00	1.00	300.00	41.90	12,570.00
Creditors' claims and correspondence.	6.00	1,800.00	-	-	6.00	1,800.00
Reports and meetings	6.20	1,860.00	4.20	1,260.00	10.40	3,120.00
Total	61.30	17,826.00	6.60	1,872.00	67.90	19,698.00
Average cost per hour		£290.80		£283.64		£290.10

Cumulative for the period from 29 April 2016 to 27 June 2019

D M Patel & Co	Period from 29.04.2016 to 28.04.2019 Hours	Cost per hour £180/£240/ £300.00	Period from 29.04.2019 to 27.06.2019 Hours	Cost per hour £180/£240/ £300.00 £	Total Hours 29.04.2016 to 27.06.2019	Total Cost 29.04.2016 to 27.06.2019
Statutory matters	1.60	288.00	0.30	54.00	1.90	342.00
Case administration and planning	8.00	1,920.00	0.50	120.00	8.50	2,040.00
Asset realisation and investigation	41.90	12,570.00	-	-	41.90	12,570.00
Creditors' claims and correspondence.	6.00	1,800.00	-	-	6.00	1,800.00
Reports and meetings	10.40	3,120.00	5.40	1,620.00	15.80	4,740.00
Total	67.90	19,698.00	6.20	1,794.00	74.10	21,492.00
Average cost per hour		£290.10		£289.83		£290.04

Charge-out Rates- Time charging policy

The minimum unit of time recorded is 6 minutes.

Current Charge-out Rates for the firm	Charge out rates from 29.04.2019 £	Cost per unit of 6 minutes £
Appointment taker	360.00	36.00
Senior Manager	300.00	30.00