

Section 106

Return of Final Meeting in a
Creditors' Voluntary Winding UpPursuant to Section 106 of the
Insolvency Act 1986

To the Registrar of Companies

S.106

Company Number

02944316

Name of Company

MARYLEBONE WARWICK BALFOUR MANAGEMENT LIMITED

I / We

Lane Bednash, 37 Sun Street, London, EC2M 2PL

Note The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was ~~duly held on~~/summoned for 22 February 2016 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of, and ~~that the same was done accordingly~~ / no quorum was present at the meeting.

2 give notice that a meeting of the creditors of the company was ~~duly held on~~/summoned for 22 February 2016 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and ~~that the same was done accordingly~~/no quorum was present at the meeting

The meeting was held at 37 Sun Street, London, EC2M 2PL

The winding up covers the period from 14 May 2013 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

Signed



Date 22 February 2016

CMB Partners UK Limited
37 Sun Street
London
EC2M 2PL

Ref M0038/SN/TH/DMC

THURSDAY



A19

A511SYAP

25/02/2016

#197

COMPANIES HOUSE

MARYLEBONE WARWICK BALFOUR MANAGEMENT LIMITED

(In Liquidation)


Liquidator's Abstract of Receipts & Payments

From 14 May 2013 To 22 February 2016

S of A £		£	£
	ASSET REALISATIONS		
	Refund of Legal Fees	10,000 00	
	Contribution to Fees	7,200 00	
	Bank Interest Gross	2 26	
	Refund of stamp duty reserve tax	204 85	
			17,407 11
	COST OF REALISATIONS		
	Preparation of S of A	6,000 00	
	Office Holders Fees	5,371 84	
	Legal Fees (1)	6,035 27	
			(17,407 11)
	UNSECURED CREDITORS		
(6,621 00)	Trade and Expense Creditors	NIL	
(84,156 00)	Director's Loan Accounts	NIL	
(9,689 00)	HM Revenue & Customs - VAT	NIL	
			NIL
	DISTRIBUTIONS		
(2 00)	Ordinary Shareholders	NIL	
			NIL
(100,468 00)			(0 00)

REPRESENTED BY

NIL



Lane Bednash
Liquidator

Liquidator's Final Report

MARYLEBONE WARWICK BALFOUR MANAGEMENT
- IN LIQUIDATION

22 February 2016



CMB|PARTNERS

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- A Receipts and payments account for the period from 14 May 2015 to 22 February 2016 and a cumulative receipts and payments account for the period from 14 May 2013 to 22 February 2016
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- C Cumulative time analysis for the period from 14 May 2013 to 22 February 2016
- D Additional information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

1 Introduction

- 1.1 I, Lane Bednash of CMB Partners UK Limited, 37 Sun Street, London EC2M 2PL, was appointed as Liquidator of Marylebone Warwick Balfour Management Limited ("the Company") on 14 May 2013. This report provides a summary of the outcome of the liquidation of the Company which has now been completed.
- 1.2 The trading address of the Company was 179 Great Portland Street, London, W1W 5LS. The business operated as a management company for MWB Group Plc, which is a publicly listed hotel group and real estate company.
- 1.3 The registered office of the Company was changed to CMB Partners UK Limited, 37 Sun Street, London EC2M 2PL and its registered number is 02944316. The Company is registered for VAT.
- 1.4 The liquidation commenced in May 2013 with no assets to be realised and anticipated liabilities of £100,466, which expected no return to creditors.

2 Progress of the Liquidation

- 2.1 At Appendix A, I have provided an account of my receipts and payments account for the period ended 22 February 2016 with a comparison to the Director's Statement of Affairs values, together with a cumulative account since my appointment, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator during the period of this report.

Further information on the Liquidator's remuneration can be found in section 5 below.

3 Investigations

- 3.1 In accordance with the Company Directors Disqualification Act 1986 I would confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills. As this is a confidential report, I am not able to disclose the contents.
- 3.2 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report.
- 3.3 It should be noted that HM Revenue & Customs ("HMRC") submitted a claim for £27,916,058 in the proceedings. I held several meetings with HMRC at my office and at the offices of HMRC's specialist

investigation unit in Manchester in order to review the circumstances leading to such a large claim. HMRC originally indicated that it would fund a claim against the Company's officers for a Tax Avoidance Scheme that had been utilised (both current and former) but, following extensive investigation and liaising with duly instructed solicitors, barristers and tax experts, I determined that no such claim could be brought.

- 3.4 I duly turned my attention to a potential claim against the Company's tax advisors. Solicitors and barristers reviewed the merits of a claim and agreed to work under a conditional fee agreement. Whilst draft particulars were prepared, it was necessary to seek funding to meet the expenses of issuing a claim, which would have exceeded £100,000. HMRC did not respond to my correspondence for funding and, consequently, proceeded to seek independent funders. Whilst initial prospects were found and discussions were promising, the funders recently declined to proceed and I now have no option but to refrain from pursuing the claim.

4 Outcome for Creditors

- 4.1 I can confirm that there are no secured or preferential creditors.

Unsecured Creditors

- 4.2 I have received claims totalling £28,060,336.84 from four creditors, although the statement of affairs disclosed total liabilities of £100,446. The reason for the enhanced liability is due to an unexpected large claim from HMRC.

- 4.3 I would confirm that no dividend to any class of creditor will be made in this case.

5 Liquidator's Remuneration

- 5.1 The Creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation.

- 5.2 My time costs for the period from 14 May 2015 to 22 February 2016 are £2,512.50. This represents 12.9 hours at an average rate of £195 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation. Below is a breakdown of the work carried out in relation to the costs incurred:

Job planning and review of file

General administrative tasks

Extensive investigation work into the director's conduct, including *inter alia*, a review of company records and bank statements

Liaising with HMRC, solicitors, barristers and tax experts

Preparation of the annual report

- 5.3 Also attached as Appendix C is a cumulative time analysis for the period from 14 May 2013 to 22 February 2016 which provides details of my total time costs since the date of my appointment
- 5.4 Attached as Appendix D is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade
- 5.5 A copy of a "Creditors Guide to Liquidator's Fees" is available on request or can be downloaded from www.cmbukltd.co.uk

6 Liquidator's Expenses

- 6.1 The following expenses have been incurred since my appointment as Liquidator:

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
Category 1 disbursements				
Courts Advertising	Statutory Advertising	304.56	Nil	304.56
Companies House	Company Search	6.00	Nil	6.00
Marsh	Bonding	30.00	Nil	30.00
Total		340.56	Nil	340.56

Category 2 disbursements

Disbursement	Charge	Disbursement
Postage - 1 st Class (circulars only, per copy & depending on size)	50p - £1.00	Postage - 1 st Class (circulars only, per copy & depending on size)
Postage - 2 nd Class (circulars only, per copy & depending on size)	40p - 75p	Postage - 2 nd Class (circulars only, per copy & depending on size)
Photocopying (circulars only, per page)	15p	Photocopying (circulars only, per page)
Faxes (incoming & outgoing, per page)	25p	Faxes (incoming & outgoing, per page)
Room Hire (per hour, minimum charge £25.00)	£25.00	Room Hire (per hour, minimum charge £25.00)

7 Conclusion

7.1 This report concludes my administration

Yours faithfully

A handwritten signature in black ink, appearing to read 'Lane Bednash', with a horizontal line extending to the right.

**LANE BEDNASH
LIQUIDATOR**

Enc

Appendix A

Receipts and payments account for the period from 14 May 2015 to 22 February 2016 and a cumulative receipts and payments account for the period from 14 May 2013 to 22 February 2016

MARYLEBONE WARWICK BALFOUR MANAGEMENT LIMITED
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs	From 14/05/2015 To 22/02/2016	From 14/05/2013 To 22/02/2016
ASSET REALISATIONS		
Refund of Legal Fees	10,000 00	10,000 00
Contribution to Fees	NIL	7,200 00
Bank Interest Gross	1 19	2 26
Refund of stamp duty reserve tax	NIL	204 85
	<u>10,001 19</u>	<u>17,407 11</u>
COST OF REALISATIONS		
Preparation of S of A	NIL	6,000 00
Office Holders Fees	5,371 84	5,371 84
Legal Fees (1)	6,035 27	6,035 27
	<u>(11,407 11)</u>	<u>(17,407 11)</u>
UNSECURED CREDITORS		
(6,621 00) Trade and Expense Creditors	NIL	NIL
(84,156 00) Director's Loan Accounts	NIL	NIL
(9,689 00) HM Revenue & Customs - VAT	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS		
(2 00) Ordinary Shareholders	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<u>(100,468 00)</u>	<u>(1,405 92)</u>	<u>(0 00)</u>
REPRESENTED BY		
		<u>NIL</u>

Classification	Partner Hours	Manager Hours	Other Senior Professionals Hours	Assistants & Support Staff Hours	Total Hours	Time Costs £	Average Hourly Rate £/hr
Administration/Planning							
Statutory Reports & Returns							
Cashiering	0.00	0.00	5.30	0.00	5.30	1005.00	189.62
Job Planning & review	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Taxation	0.00	0.00	0.50	0.00	0.50	75.00	150.00
Company Records	0.00	0.00	0.50	0.00	0.50	75.00	150.00
Agents/Advisors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Partner/Manager Review	1.00	0.00	0.00	0.00	1.00	400.00	400.00
Other	0.00	0.00	3.30	0.00	3.30	495.00	150.00
Sub-total	1.00	0.00	9.80	0.00	10.80	2,050.00	193.40
Investigations							
Directors Correspondence	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Books and Records Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Legal Claims	0.30	0.00	0.00	0.00	0.30	112.50	375.00
CDDA 1986 Obligations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Asset Tracing/Searches	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.30	0.00	0.00	0.00	0.30	112.50	375.00
Realisation of Assets							
Debt Collection	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale of Business	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash at Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Property	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Motor Vehicles	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Partner/Manager Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors							
Pension Schemes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Secured Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Preferential Creditors/Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured Creditors	0.00	1.00	1.00	0.00	2.00	350.00	175.00
Shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors' Committee	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	1.00	1.00	0.00	2.00	350.00	175.00
Trading							
On Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Director meetings	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invoicing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchasing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total hours	1.30	1.00	10.80	0.00	12.90		
Total Time Costs	512.50	250.00	1,750.00	0.00		2,512.50	195

Name: **Merrivbone Warwick Balfour Management Limited**

Period: **14 May 2013 to 22 February 2016**

Time & Chargeout Summary

Classification	Partner Hours	Manager Hours	Other Senior Professionals Hours	Assistants & Support Staff Hours	Total Hours	Time Costs £	Average Hourly Rate £/hr
Administration/Planning							
Statutory Reports & Returns	0.50	2.50	12.90	0.00	15.90	2702.50	169.97
Cashiering	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Job Planning & review	0.00	7.50	4.30	0.00	11.80	2330.00	197.46
Taxation	1.40	0.50	0.70	0.00	2.60	745.00	286.54
Company Records	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Agents/Advisors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Partner/Manager Review	1.00	0.00	0.00	0.00	1.00	400.00	400.00
Other	0.00	3.50	12.00	0.00	15.50	2912.50	187.90
Sub-total	2.90	14.00	29.90	0.00	46.80	9,050.00	194.23
Investigations							
Directors' Correspondence	0.00	0.40	0.20	0.00	0.60	140.00	233.33
Books and Records Review	0.00	0.30	0.00	0.00	0.30	90.00	300.00
Legal Claims	12.80	0.00	0.00	0.00	12.80	4,800.00	375.00
CDDA 1986 Obligations	0.00	0.00	0.30	0.00	0.30	45.00	150.00
Asset Tracing/Searches	0.20	0.00	0.00	0.00	0.20	75.00	375.00
Other	0.10	0.00	0.50	0.00	0.60	87.50	145.83
Sub-total	13.10	0.70	1.00	0.00	14.80	5,237.50	353.89
Realisation of Assets							
Debt Collection	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale of Business	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash at Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Property	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Motor Vehicles	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Partner/Manager Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.50	0.00	0.00	0.50	150.00	300.00
Sub-total	0.00	0.50	0.00	0.00	0.50	150.00	300.00
Creditors							
Pension Schemes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Secured Creditors	0.00	0.00	1.80	0.00	1.80	180.00	100.00
Preferential Creditors/Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured Creditors	0.00	1.80	1.60	0.00	3.40	650.00	191.18
Shareholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors Committee	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	1.80	3.40	0.00	5.20	830.00	159.62
Trading							
On Site	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Director meetings	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Invoicing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchasing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total hours	16.00	17.00	34.30	0.00	67.30		
Total Time Costs	6,025.00	4,550.00	4,732.50	0.00		15,307.50	227

Appendix D

**ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES PURSUANT TO STATEMENT
OF INSOLVENCY PRACTICE 9 (SIP9)**

CMB PARTNERS UK LIMITED

CHARGE OUT RATES & POLICY REGARDING THE RECHARGE OF DISBURSEMENT RECOVERY PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

1 Charge-out rates

Where the approved basis of remuneration is on a time cost basis, work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 December 2012 are as follows

Staff	(per hour)
Partner	£350 - £400
Manager	£225 - £350
Other Professionals	£175 - £225
Assistants & Support Staff	£75 - £100

Time is charged to the cases in units of 6 minutes. The minimum unit used to charge time is 6 minutes. Please be advised that support staff time is charged to the case at the rate indicated.

Fixed fee and percentages of realisations and distributions

Where the approved basis of remuneration is as a set amount and percentages of realisations and distributions, the charges are applied as follows, unless otherwise specified and approved,

A set amount of £15,000 plus VAT for all general administrative and statutory work in relation to the insolvency, to be drawn from the asset realisations at the office holder's discretion, as and when funds are available. The set amount relates to, but is not limited to, the following

- Undertaking statutory notifications to Companies House and Creditors
- Advertising the appointment
- Obtaining a specific penalty bond
- Reviewing adequacy of specific penalty bond on a regular basis
- Maintaining case files and electronic details on IPS
- Convening and holding meetings of members and creditors
- Opening, maintaining and managing office holders cash book and case bank account
- Filing returns at Companies House
- Preparing and filing Corporation Tax and VAT returns
- Case planning and devising an initial case strategy
- Case reviews at one month, six months and then every six months
- Overseeing the work on the case by the case administrators
- Attending to correspondence and telephone calls with creditors, directors, shareholders and other parties including HMRC
- Statutory investigations into the affairs of the Company and dealings of the directors
- Preparation of statutory reports to creditors
- Dealing with all employee matters, including the Redundancy Payments Service and pension schemes
- Corresponding with employees in respect of their claims
- Recovering, listing and reviewing the books and records of the case
- Preparing and issuing final report
- Holding final meetings and preparing minutes of the same
- Preparing and sending final returns to Companies House/the Court
- Archiving case records and books and records

The above list is not exhaustive, but provides an overview of the work anticipated to be carried out in the insolvency case, which is either required by Statute or necessary to perform the basic duties of an office holder, but may not necessarily provide a direct financial benefit to creditors.

Thereafter, as a percentage of the realised assets (net of any fixed charges or finance) as follows,

- | | |
|---|-----|
| • Equity in Freehold / Leasehold Property | 25% |
| • Plant & Machinery / Fixtures & Fittings / Stock | 25% |
| • Goodwill / Intellectual Property Rights / Investments | 25% |
| • Book Debts / Work in Progress / Rent Deposits | 20% |
| • Equity in Motor Vehicles | 20% |
| • Cash at Bank / Funds held by reporting accountant | 15% |
| • HM Revenue & Customs Refunds | 15% |
| • In relation to any other asset recovery (e.g. including those not disclosed, antecedent transaction recoveries) | 50% |

Details of the assets involved in each case will be provided to creditors at the earliest opportunity. The above percentages are a reflection of the work required to realise those assets and provides a direct financial benefit to the insolvency estate. The percentages are an appropriate, reasonable and commensurate reflection of the work that the office holder anticipates will be undertaken to realise such assets.

Thereafter, as a percentage of the value of total distributions to creditors (excluding fixed charge creditors) (to be deducted from the total distribution), as follows:

- The first £20,000 15%
- The next £80,000 10%
- Over £100,000 5%

The work undertaken on a percentage basis includes, but is not limited to, the following:

- Arranging suitable insurance
- Regularly monitoring the suitability and appropriateness of the insurance cover in place
- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with the bank regarding the closure of accounts
- Instructing agents to value assets
- Addressing Retention of Title claims
- Liaising with agents with regard to the realisation of assets
- Instructing solicitors to assist with the realisation of assets
- Registering cautions in respect of properties
- Obtaining details from secured creditors in respect of debts secured over assets
- Determining the ownership of assets such as properties and vehicles
- Liaising with secured creditors in respect of the realisation of charged assets
- Issuing notice of intended dividend and placing an appropriate notice
- Reviewing and adjudicating on proofs of debt received from creditors
- Calculating and paying dividends
- Paying tax deducted from dividends paid to employees

2 DISBURSEMENT RECOVERY

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

2.1 Category 1 Disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by CMB Partners UK Limited and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

2.2 Category 2 Disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by CMB Partners UK Limited and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by CMB Partners UK Limited are as follows -

Disbursement	Charge
Stationery / fax / postage/ telephone / photocopying	One off charge of £5 per creditor
Internal Storage of Insolvency Practitioners working papers & case records	£50 per box per annum
Internal meeting room hire	£100 per hour

All costs are subject to VAT, where applicable. The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.