

Rule 1 26/
1 54

The Insolvency Act 1986
 Notice to Registrar of
 Companies of Supervisor's
 Abstract of Receipts and
 Payments
 Pursuant to Rule 1 26(2)(b) or
 Rule 1 54 of the
 Insolvency Rules 1986

R.1.26(2)(b)/ R.1.54

For Official Use

--	--	--

To the Registrar of Companies

Company Number

3073655

Name of Company

McCarthy Corporation Plc

I / ~~We~~
 Stephen Hunt
 Tavistock House South
 Tavistock Square
 London
 WC1H 9LG

supervisor(s) of a voluntary arrangement taking effect on

26 June 2003

present overleaf my/our abstract of receipts and payments for the period from

26 June 2012

to

25 June 2013

Number of continuation sheets (if any) attached

☐

Signed

Date 23 08.2013

Griffins
 Tavistock House South
 Tavistock Square
 London
 WC1H 9LG

Ref MCCAR02/SJH/IPU/RXB

THURSDAY



A15

A2FSASND

29/08/2013

#322

COMPANIES HOUSE

RECEIPTS		£
Brought forward from previous Abstract (if any)		31,722 54
Bank Interest		1 51
Carried forward to * continuation sheet / next abstract		31,724 05
PAYMENTS		£
Brought forward from previous Abstract (if any)		31,117 51
Carried forward to * continuation sheet / next abstract		31,117 51

* Delete as appropriate

* Delete as appropriate

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the supervisor since he was appointed

McCarthy Corporation plc
Under a Company Voluntary Arrangement

Supervisor's annual report to creditors
for the year ending 25 June 2013



CONTENTS

- 1 Introduction
- 2 Receipts and payments account
- 3 Current status
4. Proposed variation
- 5 Creditors' claims
- 6 Cooperation with the Supervisor
7. Supervisors' remuneration and expenses
- 8 Creditors' meeting

APPENDICES

- A My receipts and payments account for the period 26 June 2012 to 25 June 2013, together with a cumulative account for the duration of the Arrangement
- B My time analyses for the periods 26 June 2012 to 25 June 2013 and for the entire period of the my appointment, together with details of charge out rates, provided in accordance with Statement of Insolvency Practice 9
- C Notice of meeting
- D Proxy form



1. Introduction

This report provides an update on the progress of the Company Voluntary Arrangement in compliance with the requirements of Rule 1 26A (4) of The Insolvency Rules 1986.

The company was placed into a Company Voluntary Arrangement on 26 June 2003 and Martin Hepworth of Businesscare was appointed Supervisor

Following a High Court order dated 24 November 2009, Mr Hepworth was removed as Supervisor and Kevin Hellard of Grant Thornton UK LLP and I were appointed Joint Supervisors in succession

Mr Hellard consented to his removal as Joint Supervisor by order of the High Court dated 20 December 2011

2. Receipts and payments accounts

A receipts and payments account for the period 26 June 2012 to 25 June 2013 is at Appendix B, together with a cumulative account since the commencement of the Arrangement

Some of the figures contained within the account relate to a period prior to my appointment and as such, I am not able to vouch for their accuracy

3. Current status

As previously reported, the company is pursuing a claim against its former financial advisors and auditors, KPMG (Canada) The net proceeds of this litigation (or any settlement) are to be made available to the Supervisor, to meet the costs of the Arrangement, and to discharge in full, together with statutory interest, the claims of creditors The Supervisor is taking no part in the actual litigation

Further to my report to creditors dated 19 November 2012, the independent forensic accountants report required by the funders has been provided, enabling the continuation of the claim process, which remains ongoing

4. Variation meeting

In my last report, I advised creditors that in the event that the case remains ongoing by the anniversary of the implementation of the Arrangement, I would seek the approval of creditors to extend the term as required, so that the action may be concluded

As this remains the case and I am satisfied that there remains a real prospect of the Arrangement being implemented in the way it is represented, the following variation is proposed



That the Arrangement shall automatically continue until the year ending 25 June 2014 to enable further time for the trial to be progressed and, in the event of a satisfactory outcome, a distribution of the funds recovered in accordance with the terms of the Arrangement

5. Creditors' claims

According to Mr Hepworth's records, the total of creditors' claims received to date is £2,988,243 98. If you have not already submitted your claim in the Arrangement, then please do so now.

6. Co-operation with the Supervisor

I am content that the directors continue to cooperate with me in the implementation of the Arrangement.

I am satisfied that the directors continue to take responsible steps to ensure that the company complies with its obligations pursuant to the terms of the Arrangement generally.

7. Supervisors' remuneration and expenses

The time recorded by myself and my staff for the period 26 June 2012 to 25 June 2013 totals £11,163 80, which represents 36 75 hours at an average charge out rate of £303 78 per hour.

The time recorded by myself and my staff for the entire period of my office totals £46,653 49, which represents 196 42 hours at an average charge out rate of £237 52 per hour.

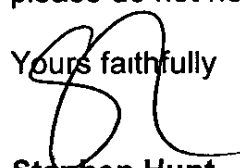
Attached at Appendix B are my time analysis reports, which provide details of the activity costs incurred by staff grade to date, together with details of current charge out rates.

8. Creditors meeting

A notice convening a meeting of creditors pursuant to Rule 1 26 of The Insolvency Rules 1986 is attached together with a proxy form at appendices C and D.

Proxy forms must be lodged at the offices of Griffins, Tavistock House South, Tavistock Square, London WC1H 9LG, no later than 12 noon on the last business day prior to the date of the meetings. If there are any matters requiring clarification, please do not hesitate to contact me.

Yours faithfully



Stephen Hunt
Supervisor
23 August 2013



Appendix A

McCarthy Corporation plc Under a Company Voluntary Arrangement

My receipts and payments account for the period 26 June 2012 to 25 June 2013,
together with a cumulative account for the duration of the Arrangement



Voluntary Arrangement of McCarthy Corporation Plc

Statement of Affairs	From 26/06/2012 To 25/06/2013	From 26/06/2003 To 25/06/2013
(2,000,000 00)		
SECURED CREDITORS		
Virgin Group	NIL	NIL
	NIL	NIL
ASSET REALISATIONS		
6,000 00		
2,000 00		
Fixtures & Fittings (inc paintings)	NIL	NIL
Office Equipment	NIL	NIL
Book Debts	NIL	22,801 68
Insurance Refund	NIL	123 38
Rates Refund	NIL	2,998 10
Bank Interest	1 51	800 57
Bank Interest Net of Tax	NIL	0 32
Contribution by director	NIL	5,000 00
	1 51	31,724 05
COST OF REALISATIONS		
Specific Bond	NIL	255 00
Supervisor's Remuneration	NIL	26,666 67
Supervisor's Disbursements	NIL	3,106 51
Legal Fees	NIL	10 24
Tax on Bank Interest	NIL	237 12
Statutory Advertising	NIL	8 64
	NIL	(30,284 18)
PREFERENTIAL CREDITORS		
(3,856 00)		
Inland Revenue	NIL	NIL
(2,235 00)		
Customs & Excise	NIL	NIL
	NIL	NIL
UNSECURED CREDITORS		
(233,209 00)		
(147,308 00)		
(57,875 00)		
(237,913 00)		
(79,993 00)		
(9,111 00)		
Trade & Expense Creditors	NIL	NIL
Landlord	NIL	NIL
Rental Deposits	NIL	NIL
Directors Loan Accounts	NIL	NIL
Inland Revenue	NIL	NIL
Customs & Excise	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
(1,803,539 00)		
(25,300,000 00)		
Ordinary Shareholders	NIL	NIL
Deferred Shareholders	NIL	NIL
	NIL	NIL
(29,867,039.00)	1.51	1,439.87
REPRESENTED BY		
Vat Receivable		833 33
Bank 1 Current		606 54
		1,439.87

Appendix B

McCarthy Corporation plc Under a Company Voluntary Arrangement

My time analyses for the periods 26 June 2012 to 25 June 2013 and for the entire period of the my appointment, together with details of charge out rates, provided in accordance with Statement of Insolvency Practice 9



Time Entry - SIP9 Time & Cost Summary

MCCAR02 - McCarthy Corporation Plc
From 24/11/2009 To 25/06/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.75	19.67	2.17	93.33	115.92	26,764.73	230.90
Creditors	0.17	0.58	0.00	34.92	35.67	8,337.10	233.75
Investigations	0.00	0.00	8.75	12.00	20.75	4,461.24	215.00
Legal & Litigation	0.00	0.25	0.00	1.25	1.50	432.92	288.61
Realisations of Assets	0.00	1.92	0.83	19.83	22.58	6,657.50	294.80
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.92	22.42	11.75	161.33	196.42	48,653.49	237.52
Total Fees Claimed						4,166.67	
Total Disbursements Claimed						0.00	

Time Entry - Detailed SIP9 Time & Cost Summary

MCCAR02 - McCarthy Corporation Plc
From 26/06/2012 To 25/06/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADMIN Administration Work	0.08	1.58	0.00	0.75	2.42	895.83	370.69
CASG Cashiering Functions	0.00	0.00	0.00	2.17	2.17	394.62	182.13
DIARY Case Diary	0.00	0.00	0.00	0.58	0.58	158.33	271.42
MEMB Members/Shareholders	0.00	0.00	0.00	1.33	1.33	400.00	300.00
MTGS Meetings	0.00	0.17	0.00	0.00	0.17	65.83	394.98
REVIEWS Case Reviews	0.00	0.00	0.83	3.50	4.33	1,325.00	305.77
SIP12 Records of Meetings	0.00	0.00	0.00	0.42	0.42	125.00	300.00
SIP7 R&P Accounts	0.08	0.17	0.00	1.75	2.00	623.75	311.88
SPECBOND Specific Bond	0.00	0.00	0.00	0.17	0.17	50.00	300.00
STAT Statutory	0.25	0.00	0.00	0.00	0.25	138.26	545.04
TAX Tax	0.00	0.00	0.00	0.08	0.08	25.00	300.00
Administration & Planning	0.42	1.92	0.83	10.75	13.92	4,199.82	301.77
PROREPORT Progress Report	0.00	0.08	0.00	7.00	7.08	2,132.92	301.12
CMETG Creditors Meetings	0.17	0.00	0.00	0.67	0.83	290.84	349.01
CREDITORS Creditors	0.00	0.00	0.00	0.42	0.42	125.00	300.00
Creditors	0.17	0.08	0.00	8.08	8.33	2,548.76	305.85
LEGL Legal Issues	0.00	0.25	0.00	0.92	1.17	373.75	320.36
Legal & Litigation	0.00	0.25	0.00	0.92	1.17	373.75	320.36
ASST Asset Realisation	0.00	0.00	0.00	12.50	12.50	3,750.00	300.00
ASSTLEGAL Legal	0.00	0.00	0.83	0.00	0.83	291.67	350.00
Realisations of Assets	0.00	0.00	0.83	12.50	13.33	4,041.67	303.13
Total Hours	0.68	2.25	1.67	32.25	36.76	11,163.80	303.78
Total Fees Claimed						4,168.67	

GRIFFINS POLICY ON CHARGEOUT RATES AND DISBURSEMENTS

SCHEDULE OF STANDARD CHARGEOUT RATES IN RESPECT OF GRIFFINS PARTNERS AND STAFF AS AT 1 OCTOBER 2012.

In accordance with Statement of Insolvency Practice 9 "Remuneration of Insolvency Office Holders" the following hourly charge-out rates will be applied when fixing the Officeholders Remuneration

Grade of staff	Hourly Rate
Partners	£495 - £545
Managers	£300 - £395
Senior Investigators	£325 - £380
Administrators/Investigators	£200 - £300
Junior Administrators/Junior Investigators	£145 - £250
Support Staff	£70 - £180

The above rates are reviewed annually on 1 October

It is not our policy to charge for support staff (secretarial, filing, reception) unless such staff are working on an individual matter for more than 7 hours in which case the rate for an Administrator may be applied

Time is charged in minimum units of 5 minutes for all staff

Further information regarding remuneration can be found in "A Creditors' Guide to Liquidators' Remuneration", which is available for download at <http://www.griffins.net/technical/> A hard copy can be provided upon request

DISBURSEMENTS

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance¹ requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at

DEFINITIONS

Practice guidance¹ classifies expenses into two broad categories

- *Category 1 expenses (approval not required)* – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external suppliers' invoice or published tariff of charges, Mileage is charged at the approved HM Revenue & Customs rates
- *Category 2 expenses* Griffins' policy is not to charge for Category 2 disbursements

CHARGING POLICY

- *Category 1 expenses (approval not required)* – all such items are re-charged to the case as they are incurred



GRIFFINS POLICY ON CHARGEOUT RATES AND DISBURSEMENTS

SCHEDULE OF STANDARD CHARGEOUT RATES IN RESPECT OF GRIFFINS PARTNERS AND STAFF AS AT 1 OCTOBER 2011.

In accordance with Statement of Insolvency Practice 9 "Remuneration of Insolvency Office Holders" the following hourly charge-out rates will be applied when fixing the Officeholders Remuneration

Grade of staff	Hourly Rate
Partners	£495 - £545
Managers	£300 - £395
Senior Investigators	£325 - £380
Administrators/Investigators	£200 - £300
Junior Administrators/Junior Investigators	£145 - £190
Support Staff	£70 - £180

The above rates are reviewed annually on 1 October

It is not our policy to charge for support staff (secretarial, filing, reception) unless such staff are working on an individual matter for more than 7 hours in which case the rate for an Administrator may be applied

Time is charged in minimum units of 5 minutes for all staff

DISBURSEMENTS

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at

DEFINITIONS

Practice guidance¹ classifies expenses into two broad categories

- *Category 1 expenses (approval not required)* – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external suppliers' invoice or published tariff of charges,
- *Category 2 expenses* Griffins' policy is not to charge for Category 2 disbursements

CHARGING POLICY

- *Category 1 expenses (approval not required)* – all such items are re-charged to the case as they are incurred

¹ Statement of Insolvency Practice 9 (England and Wales)

Appendix C

McCarthy Corporation plc Under a Company Voluntary Arrangement

Notice of meeting



Notice of a meeting of creditors, summoned for the purpose of considering varying the terms of the Company Voluntary Arrangement.

**IN THE MATTER OF MCCARTHY CORPORATION PLC
(in the High Court Of Justice No. 3294 of 2003)**

AND

IN THE MATTER OF THE INSOLVENCY ACT 1986

NOTICE IS HEREBY GIVEN pursuant to Paragraph 9 2 3 of the company's proposals and in accordance with rule 1 13 of the Insolvency Rules 1986, that a meeting of the creditors will be held at the offices of Griffins, Tavistock House South, Tavistock Square, London WC1H 9LG at 10 00 am on 26 September 2013

A creditor entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him A proxy need not be a creditor

Proxies to be used at the meeting should be lodged at the offices of Griffins, Tavistock House South, Tavistock Square, London WC1H 9LG no later than 12 noon on the working day immediately before the date fixed for the meetings



Stephen Hunt
Supervisor

Date 23 August 2013

Appendix D

**McCarthy Corporation plc
Under a Company Voluntary Arrangement**

Proxy form



Rule 8.1

Insolvency Act 1986

Proxy (Company Voluntary Arrangement)

McCarthy Corporation plc

Please give full name and address for communication

Name of Creditor _____

Address of Creditor _____

Please insert name of person (who must be 18 or over) or "chairman of the meeting" (see note below) if you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well

Name of Proxy Holder

1 _____

2 _____

3 _____

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on 26 September 2013 or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion)

Voting instructions for resolutions

That the Arrangement shall automatically continue until the year ending 25 June 2014 to enable further time for the trial to be progressed and, in the event of a satisfactory outcome, a distribution of the funds recovered in accordance with the terms of the Arrangement

FOR/AGAINST

Any other resolutions which the proxy-holder is to propose or vote in favour of or against should be set out in numbered paragraphs in the space opposite

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor/member has not signed in person

Position with creditor or relationship to creditor or other authority for signature
