

## The Insolvency Act 1986

Liquidator's Progress  
Report

S. 192

Pursuant to section 192 of the  
Insolvency Act 1986

To the Registrar of Companies

For official use

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|  |  |  |
|--|--|--|

Company Number

3461009

Name of Company

(a) Insert full  
name of company

(a) ARGYLE MANAGED ESTATES LIMITED

Limited

(b) Insert full  
name(s) and  
address(es)

We (b)

Matthew John Waghorn of Wilkins Kennedy LLP, Gladstone House, 77-79  
High Street, Egham, Surrey, TW20 9HY and David William Tann of Wilkins  
Kennedy LLP, 92 London Street  
Reading  
Berkshire  
RG1 4SJ

the liquidators of the company attach a copy of our Progress Report under  
section 192 of the Insolvency Act 1986

Signed



Date 26/11/13

Presenter's name,  
address and  
reference  
(if any)

Matthew John Waghorn  
Wilkins Kennedy LLP  
Gladstone House  
77-79 High Street  
Egham  
Surrey  
TW20 9HY

Liquidation

WEDNESDAY



A30

\*A2MI01W3\*

04/12/2013

#371

COMPANIES HOUSE

**Argyle Managed Estates Limited**

**In Liquidation**

**Annual Progress Report to the Members and Creditors  
Pursuant to Section 104A of the Insolvency Act 1986**

**26 November 2013**

Wilkins Kennedy Limited  
92 London Street  
Reading  
Berkshire  
RG1 4SJ

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## **APPENDICES**

- I Receipts and payments account
- II Analysis of time costs

## **1. INTRODUCTION**

The purpose of this report is to detail my acts and dealings as Joint Liquidator and it should be read in conjunction with my previous correspondence to creditors. In summary there have been no further realisations.

The only issue preventing closure of the case relates to an on-going enquiry by The Royal Bank of Scotland into whether interest rate hedging products were wrongfully sold to connected companies. The Bank is still investigating and they have now requested written testimony on the hedging product from the liquidators. Assistance is being sought from a barrister in preparing this written testimony.

As these companies have intercompany balances the liquidation of this company will not be concluded until all investigations have been carried out on the connected companies. In particular there is a provisional liability owing from Argyle Camborne Rentals Limited and if the investigations of the Royal Bank of Scotland result in sufficient compensation being paid to Argyle Camborne Rentals Limited this could enable a distribution to be paid to Argyle Managed Estates Limited.

## **2. BACKGROUND**

The members' and creditors' meetings were held on 4 November 2010, when my partner, David Tann, and I were appointed Joint Liquidators of the company. At the date of appointment we were directors of Nortons Recovery Limited, Highlands House, Basingstoke Road, Spencers Wood, Reading RG7 1NT. On 1 May 2011 Nortons Recovery Limited merged with Wilkins Kennedy LLP. All correspondence regarding the liquidation should be sent to the Wilkins Kennedy address.

The company's registration number is 3461009 and its current registered office is 92 London Street, Reading, RG1 4SJ.

The company's former registered office was 15 Eldon Street, London, EC2M 7LD. The company's former trading address was 11 Beaumont Road, Chiswick, London, EC2M 7LD.

## **3. RECEIPTS AND PAYMENTS ACCOUNT**

A summary of the Joint Liquidators' receipts and payments from the date of liquidation on 4 November 2011 to 3 November 2013, which schedules the asset realisations along with the costs incurred in realising such assets, are attached at Appendix I. As at 3 November 2013 a total of £4,236.88 was held within the liquidation account at Clydesdale Bank. This account is interest bearing and we confirm that it has been reconciled to the bank statements.

## **4. ASSET REALISATIONS**

### **4.1 Intercompany Debts**

The Statement of Affairs showed intercompany debts outstanding to the company of £209,840. As discussed above, there is a potential that some of this debt may be recoverable from Argyle Camborne Rentals Limited if compensation is paid to them by The Royal Bank of Scotland for the wrongful selling of the interest rate hedging product.

Debtors are shown on the books and records as having a value of £15,403. As a result of the age of these debts the directors estimated that there would be no recoveries. They have therefore been written off as uncollectible as there are insufficient records to verify these debts.

#### 4.2 Motor Vehicles

The Statement of Affairs showed that the company owned motor vehicles with a book value of £6,986 with an estimated to realise value of £1

Upon our appointment we arranged for a valuation of all assets to be undertaken by Edward Symmons, agents and valuers as regulated by the Royal Institute of Chartered Surveyors. The assets were subsequently sold to PSL Leasing Limited for the sum of £6,500. This amount has been received in full.

#### 4.3 Fixtures, Fittings, Furniture and Equipment

At the date of our appointment the company owned assets with a book value of £21,353 with an estimated to realise value of £1. We can confirm that these were sold for £15,000 in line with the valuation received from Edward Symmons.

#### 4.3 Goodwill

At the date of appointment the goodwill of the company was sold to PSL Leasing Limited £5,000 which was in line with the valuation provided by Edward Symmons.

This amount has been received for the benefit of the estate.

#### 4.4 Other Assets

A small amount has been received in respect of bank interest on those monies held within the liquidation bank accounts.

Other than further bank interest we do not anticipate any further realisations in this matter.

### 5. EXPENDITURE

#### 5.1 Statement of Affairs Fee

At the first meetings of creditors held on 4 November 2010 creditors agreed that Nortons Recovery Limited be paid a combined fee of £12,680 for assisting the directors with the convening of the meetings of members and creditors and preparation of the Statement of Affairs for the company and four other associated companies. This has been received in full.

#### 5.2 Joint Liquidators' Remuneration

The Joint Liquidators' remuneration has been drawn on a time cost basis as agreed at the original meetings of creditors held on 4 November 2010. A schedule of the Joint Liquidators' time costs to date and an explanation of the charging policy is attached at Appendix II. It is the Joint Liquidators' intention to draw the outstanding balance of time costs prior to any distribution to creditors.

My total time costs to date amount to £12,423.75 representing 64.45 hours at an average rate of £192.76. Since my last report to creditors further time costs of £3,717.75 at an average hourly rate of £188.71 and drawn further fees of £4,102.50.

Total fees drawn to date amount to £12,423.75.

Statement of Insolvency Practice No 9 ("SIP9") issued by the Association of Business Recovery Professionals deals with the provision of information to creditors when considering applications for fees of insolvency office holders.

A creditors' guide to liquidators' fees is available at the following internet link, [www.r3.org.uk/index.cfm?page=1210](http://www.r3.org.uk/index.cfm?page=1210). A hard copy of this document is available free of charge upon request to my office.

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 joint liquidators' 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 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 joint liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

### 5.3 Joint Liquidators' Disbursements

The Joint Liquidators have been reimbursed for various costs incurred as a direct result of the liquidation. These are detailed on the attached receipts and payments account.

### 5.4 Agent's Fees

These relate to fees paid to Edward Symmons for assisting the Joint Liquidators with the sale of the assets of the company.

### 5.5 Legal Fees

Legal fees represent costs incurred by Boyes Turner Solicitors in relation to the sale of the goodwill and assets of the companies and general issues relating to the conduct of the liquidation.

## 6 INVESTIGATION

I undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I considered in particular transactions which took place at the time of and immediately prior to the company ceasing to trade.

There were no matters that justified further investigation in the circumstances of this appointment.

Within six months of my appointment, I was required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make them unfit to be concerned with the management of the company. I confirm that my report has been submitted.

## 7. CREDITORS' CLAIMS

### 7.1 Secured Creditor

A debenture was granted by the company to National Westminster Bank plc ('the Bank') on 30 November 2004 and registered at Companies House on 3 December 2004. The debenture provided a floating charge over all assets of the company.

At the date of appointment the amount outstanding to the Bank under the terms of the debenture was the subject of dispute.

The Joint Liquidators will obtain confirmation of the validity of the debenture prior to any distribution to the Bank

Section 176A (1)(a) of the Insolvency Act 1986 requires that, where the Company has created a floating charge after 15 September 2003, the liquidator must make a Prescribed Part of the company's Net Property available for the unsecured creditors and not distribute it to the floating chargeholder except in so far as it exceeds the amount required for the satisfaction of unsecured claims. "**Net Property**" means the amount which would, were it not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of realisation)

The **Prescribed Part** is 50% of the first £10,000 and 20% of Net Property (up to a maximum amount to be made available of £600,000). An liquidator will not be required to set aside the Prescribed Part if

- the Net Property is less than £10,000 and he thinks the cost of distributing the Prescribed Part would be disproportionate to the benefit, (Section 176A(3)) or
- he applies to the Court for an order on the grounds that the cost of distributing the Prescribed Part would be disproportionate to the benefit and the Court orders that the provision shall not apply (Section 176A(5))

We would advise that since Net Property is estimated to be below the prescribed minimum of £10,000 and the Joint Liquidators consider that the cost of distribution would be disproportionate to the benefit there will be no Prescribed Part pursuant to Section 176A of the Insolvency Act 1986 available to unsecured creditors. However, we reserve our position generally in this regard should circumstances materially change

## 7.2 Preferential Creditors

There are no known preferential creditors in this matter

## 7.3 Unsecured Creditors

To date we have received two unsecured claims totalling £10,960.94 compared to the £3,990,549.94 estimated in the Statement of Affairs

The reason for this discrepancy is that a number of creditors who were scheduled on the Statement of Affairs have not yet submitted claims. In addition the majority of the claims relate to the intercompany debts as detailed earlier in this report

The Joint Liquidators have not yet agreed or admitted claims for dividend purposes

## 8. DIVIDEND PROSPECTS

Based on current information it is anticipated that there may be sufficient funds available to make a distribution to unsecured creditors

**9. CONCLUSION**

I shall be continuing my administration of the liquidation until the investigations by the Royal Bank of Scotland have been concluded

If you require any further information please contact Richard Davy of this office

A handwritten signature in black ink, appearing to read 'M. Waghorn', followed by a long horizontal flourish.

**Matthew John Waghorn**  
**Joint Liquidator**



**Argyle Managed Estates Limited - In Creditors Voluntary Liquidation  
Joint Liquidators' Abstract of Receipts & Payments**

**From 04 November 2012 To 03 November 2013**

| <b>S of A £</b>            | <b>As<br/>Previously<br/>Reported</b> | <b>04/11/12<br/>to<br/>03/11/13</b> | <b>Total £</b>   |
|----------------------------|---------------------------------------|-------------------------------------|------------------|
| <b>RECEIPTS</b>            |                                       |                                     |                  |
| 1 00 Motor Vehicles        | 6,500 00                              | NIL                                 | 6,500 00         |
| NIL Bank Interest Gross    | 3 20                                  | 11 32                               | 14 52            |
| 1 00 Furniture & Equipment | 1,000 00                              | NIL                                 | 1,000 00         |
| NIL Sale of Assets         | 14,000 00                             | NIL                                 | 14,000 00        |
| NIL Bank Refund            | NIL                                   | 71 27                               | 71 27            |
| NIL Goodwill               | 5,000 00                              | NIL                                 | 5,000 00         |
| <b>2 00</b>                | <b>26,503 20</b>                      | <b>82 59</b>                        | <b>26,585 79</b> |
| <b>PAYMENTS</b>            |                                       |                                     |                  |
| Office Holders Fees        | 8,321 25                              | 4,102 50                            | 12,423 75        |
| Agents/Valuers Fees (1)    | 6,986 00                              | NIL                                 | 6,986 00         |
| Legal Fees                 | 1,405 00                              | NIL                                 | 1,405 00         |
| Corporation Tax            | 0 64                                  | 2 07                                | 2 71             |
| Statutory Advertising      | 60 48                                 | NIL                                 | 60 48            |
| Accountancy Fees           | 600 00                                | NIL                                 | 600 00           |
| Postage and Stationery     | 12 00                                 | 13 60                               | 25 60            |
| IT Administration Fee      | 110 00                                | NIL                                 | 110 00           |
| Vat Receivable             | 3,546 15                              | (3,046 78)                          | 499 37           |
| Specific Bond              | 236 00                                | NIL                                 | 236 00           |
|                            | <b>21,277 52</b>                      | <b>1,071 39</b>                     | <b>22,348 91</b> |
| <b>CASH IN HAND</b>        | <b>5,225 68</b>                       | <b>(988 80)</b>                     | <b>4,236 88</b>  |

# WILKINS KENNEDY

## Schedule of Liquidator's Remuneration and Disbursements

For

### Argyle Managed Estates Limited

as at 3 November 2013

### JOINT LIQUIDATORS' FEES

| Classification<br>Of work function | HOURS   |         |                               |                               |                | Time Cost<br>£ | Average<br>hourly rate<br>£ |
|------------------------------------|---------|---------|-------------------------------|-------------------------------|----------------|----------------|-----------------------------|
|                                    | Partner | Manager | Other senior<br>Professionals | Assistants &<br>support staff | Total<br>Hours |                |                             |
| Administration &<br>planning       | 3 80    | 3 30    | 8 45                          | 5 95                          | 21 50          | 3,779 00       | 175 76                      |
| Investigations                     | 0 40    | 2 70    | 2 55                          | 0 20                          | 5 85           | 1,098 25       | 187 73                      |
| Realisation of<br>assets           | 17 10   | 1 00    | 0 60                          | 0 00                          | 18 70          | 4,694 50       | 251 04                      |
| Cashiering and<br>accounting       | 0 00    | 0 00    | 1 35                          | 6 70                          | 8 05           | 866 25         | 107 61                      |
| Creditors                          | 4 20    | 0 80    | 0 40                          | 0 00                          | 5 40           | 1,277 00       | 236 48                      |
| Statutory                          | 0 90    | 0 00    | 1 05                          | 3 00                          | 4 95           | 708 75         | 143 18                      |
| Total hours                        | 26 40   | 7 80    | 14 40                         | 15 85                         | 64 45          | 12,423 75      | 192 76                      |
|                                    |         |         |                               |                               |                |                |                             |

### Wilkins Kennedy Charge-Out Rates

1 February 2012 to 31 July 2013

£

|                                     |                 |
|-------------------------------------|-----------------|
| Partners/Directors                  | 400 00 – 450 00 |
| Senior Managers/Managers            | 270 00 – 300 00 |
| Supervisors                         | 205 00          |
| Case Managers/Senior Administrators | 195 00          |
| Administrators/Investigators        | 100 00 – 145 00 |
| Junior/Trainee Administrators       | 65 00 – 100 00  |
| Cashiers/Secretaries                | 75 00 – 90 00   |

1 August 2013 to date

£

|                                     |                 |
|-------------------------------------|-----------------|
| Partners/Directors                  | 400 00 – 450 00 |
| Senior Managers/Managers            | 270 00 – 300 00 |
| Supervisors                         | 205 00          |
| Case Managers/Senior Administrators | 145 00 – 195 00 |
| Administrators/Investigators        | 100 00 – 160 00 |
| Junior/Trainee Administrators       | 65 00 – 100 00  |
| Cashiers/Secretaries                | 75 00 – 90 00   |

### DISBURSEMENTS

|                        |        |
|------------------------|--------|
|                        | £      |
| Statutory Advertising  | 60 48  |
| Postage and Stationery | 12 00  |
| IT Administration Fee  | 110 00 |
| Specific Bond          | 236 00 |

## **Explanation of office-holders time charging policy**

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP9"), the chargeout rates detailed on the previous page are applicable to this appointment exclusive of VAT. Rates are normally reviewed on an annual basis and adjustments made accordingly where deemed appropriate.

A description of the routine work undertaken which time will be recorded for is detailed as follows:

### **1 Administration and planning**

- Preparing documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Reviewing the ongoing progression of case files
- Arranging the collection and storage of company records
- Ensuring an appropriate case bordereau is in place
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors where appropriate

### **2 Investigations**

- Review and storage of the company's books and records
- Preparation of returns / reports pursuant to the Company's Directors Disqualification Act 1986
- Conduct investigations into any suspicious transactions
- Reviewing the books and records to identify any transactions or actions that the officeholder may take in order to recover funds for the benefit of creditors

### **3 Realisation of assets**

- Identifying, securing and obtaining sufficient insurance in respect of company assets
- Dealing with any retention of title or other third party claims
- Debt collection functions
- Negotiating and completing property, business and asset sales

### **4 Trading**

- Management of trading operations
- Maintaining and preparing accounting records for the period of trade
- Dealing with ongoing employee issues

### **5 Creditors**

- Dealing with creditor correspondence and telephone conversations
  - Maintaining creditor information and claims (including those submitted by secured creditors, employees and other preferential creditors)
-

### **Explanation of office-holders disbursement recovery policy**

SIP9 also requires that the office holder provide a statement of the office-holder's policy in relation to the recharging of disbursements. SIP 9 defines disbursements as either **Category 1** or **Category 2** disbursements, further details of which are below

**Category 1** disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, 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

**Category 2** disbursements will generally comprise costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs

### **Charging and disbursement recovery policy**

**Category 1** disbursements are recoverable without approval, and will be recovered by the office holder as they are incurred

**Category 2** disbursements do require approval, and should be identified and subject to approval by those responsible for approving remuneration. SIP 9 provides that, the office holder may make a separate charge for expenses in this category, provided that -

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation, it will be persuasive evidence of reasonableness, if the resultant charge to creditors is in line with the cost of external provision, and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving his remuneration

Payments to outside parties in which the office holder or his firm or any associate (as defined by section 435 of the Insolvency Act 1986) has an interest should be treated as category 2 disbursements

The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision

|              |                   |
|--------------|-------------------|
| Photocopying | 5 pence per sheet |
| Mileage      | 45 pence per mile |
| Meeting Room | £50 per meeting   |

### **Complaints procedure**

Details of our complaints procedure are available on our website using the following link <http://www.wilkinskennedy.com/services/wk-restructuring-recovery/insolvency/complaints-procedure>

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