

LIQ03

Notice of progress report in voluntary winding up



Companies House

COMPANIES HOUSE



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19/11/2021

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FRIDAY

1 Company details

Company number 0 3 8 7 2 6 4 6

Company name in full Merchant Inns Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Michaela

Surname Hall

3 Liquidator's address

Building name/number 4th Floor

Street 4 Victoria Square

Post town St Albans

County/Region Hertfordshire

Postcode A L 1 3 T F

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

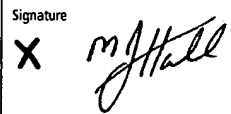
Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report											
From date	^d	^d	^m	^m	^y	^y	^y	^y				
	3	1	1	2	2	0	1	9				
To date	^d	^d	^m	^m	^y	^y	^y	^y				
	3	0	1	2	2	0	2	0				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	<div>Signature</div> <div>  </div>											
	<div>X</div> <div>X</div>											
Signature date	^d	^d	^m	^m	^y	^y	^y	^y				
	2	6	0	2	2	0	2	1				

LIQ03

Notice of progress report in voluntary winding up



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 **Jyoti Shah**

Company name **Moore Kingston Smith & Partners**

LLP

Address **4th Floor**

4 Victoria Square

Post town **St Albans**

County/Region **Hertfordshire**

Postcode **A L 1 3 T F**

Country

DX

Telephone **01727 896015**



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

Merchant Inns Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 31/12/2019 To 30/12/2020 £	From 13/04/2011 To 30/12/2020 £
ASSET REALISATIONS		
Administration Surplus	NIL	326,439.85
Bank Interest Gross	NIL	1,045.31
Book Debts	NIL	9,670.00
Rates Refund	NIL	3,713.18
Shareholders Funding	NIL	265,000.00
Shares & Investments	NIL	122,674.77
	NIL	728,543.11
COST OF REALISATIONS		
Agents/Valuers Fees (1)	NIL	30.00
Agents/Valuers Fees (2)	NIL	928.97
Bank Charges	NIL	25.00
Corporation Tax	NIL	208.06
DTI Unclaimed Dividends	NIL	326.94
Legal Fees (1)	NIL	524,839.15
Prov. Liquidators Fees	NIL	66,473.58
Special Managers Fees	NIL	6,952.06
Specific Bond	NIL	375.00
Statutory Advertising	NIL	231.50
Storage Costs	3,017.44	23,117.05
Sundry Expenses	NIL	914.39
VAT Irrecoverable	NIL	(7.15)
	(3,017.44)	(624,414.55)
	(3,017.44)	104,128.56
REPRESENTED BY		
Bank 1 Metro		97,263.29
Bank 2 Bank of Ireland		(132.81)
Metro Prescribed Parts		6,394.62
Vat Control Account		411.94
Vat Receivable		191.52
		104,128.56

**Merchant Inns Limited
- In Liquidation**

**Liquidator's Annual Progress Report
to Creditors & Members**

26 February 2021

Merchant Inns Limited - In liquidation
Liquidator's Annual Progress Report to Creditors and Members

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- B** Holland & Co Time Analysis for the Period from 13 April 2011 to 30 December 2014
- C** Moore Kingston Smith & Partners LLP's Time Analysis for the Period from the 31 December 2019 to 30 December 2020 and Cumulative Time Analysis for the Period from 31 December 2014 to 30 December 2020
- D** Holland & Co additional information in relation to Liquidator's Fees, Expenses & Disbursements
- E** Moore Kingston Smith & Partners LLP's additional information in relation to Liquidator's Fees, Expenses & Disbursements

Merchant Inns Limited - In liquidation
Liquidator's Annual Progress Report to Creditors and Members

1 Summary and Statutory Information

Company Name:	MERCHANT INNS LIMITED			
Company Number:	03872646			
Registered office of Company:	Changed from the principal trading address to 4th Floor, 4 Victoria Square, St Albans, Hertfordshire, AL1 3TF			
Principal trading address of Company:	Operated from different trading addresses			
Previous trading name of Company:	Caernarvon Arms, Lambert Arms, Talbot Inn, Horse & Groom, Black Boy, Saracens Head and The Mermaid Inn, according to the Joint Administrators' final report dated 8 April 2011			
Liquidator:	Michaela Hall of Moore Kingston Smith & Partners LLP			
Contact details:	Moore Kingston Smith & Partners LLP, 4th Floor, 4 Victoria Square, St Albans, Hertfordshire, AL1 3TF mhall@mks.co.uk 01727 896015			
Date of appointment:	Michaela Hall on 31 December 2014 Ian Holland on 13 April 2011			
Changes in Officeholder:	Michaela Hall replaced Ian Holland on 31 December 2014			
Basis of remuneration, as agreed (see section 3):	Pre-appointment costs: £Nil, plus VAT		Drawn to date:	Pre-appointment costs: £Nil, plus VAT Officeholder fees: Holland & Co £73,425.64 plus VAT
Dividend prospects for unsecured creditors:	Paid to date:	£ nil	Estimated future dividend:	£ nil
Matters preventing closure	Reconciliation of solicitor's ledger and obtaining official tax clearance from HM Revenue & Customs			

Merchant Inns Limited - In liquidation
Liquidator's Annual Progress Report to Creditors and Members

- 1.1 Further details on work undertaken in the period and costs incurred are provided in the body of the report.
- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at www.mks.co.uk/recovery-gdpr. If you are unable to download this, please contact us and a hard copy will be provided to you free of charge.

2 Progress of the Liquidation

- 2.1 This report provides an update on the work that has been undertaken, and the progress made, in the period from 31 December 2019 to 30 December 2020 ("the reporting period"). This report should be read in conjunction with any previous progress reports that have been issued.
- 2.2 Ian Holland ("Mr Holland") of Ian Holland & Co, The Clock House, 87 Paines Lane, Pinner, Middlesex, HA5 3BZ was appointed as the Liquidator of Merchant Inns Limited ("the Company") by way of notice of move from administration to creditors voluntary liquidation, (form 2.34B) filed on 13 April 2011 by Messrs Kahn and Edwards of Deloitte LLP, Joint Administrators of the Company.
- 2.3 A copy of receipts and payments account for the reporting period, together with a cumulative total since the commencement of the liquidation, is attached at Appendix A.
- 2.4 I would comment on the progress made as follows:

Administration (including statutory compliance & reporting)

- 2.5 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation.
- 2.6 This work will not necessarily bring any financial benefit to creditors but is required on every case by statute.
- 2.7 In the period under review I have maintained the required practice files, estate cashbook and bank account and completed my periodic statutory and regulatory duties as previously reported.
- 2.8 As previously stated, the only matters which have affected the costs in this area to any particular extent are agreeing the figures provided by solicitors in the litigation, and in the sale of Snoozebox shares. The latter task has proved more time consuming than was anticipated, due to numerous inter-company transactions involved and incomplete solicitor ledgers. A further £33,575.77 has been received from the solicitors and I am awaiting the final ledgers to reconcile and then close the case.
- 2.9 I believe the errors to be historic VAT accounting entries only and do not affect creditors in any way regarding the funds paid into the liquidation estate.

Investigations

- 2.10 As previously reported by Mr Holland, there were claims against third parties for misappropriation of Company monies. I advised in my last report that the litigation had been settled by way of Consent Order. Regrettably, no monies were realised from the additional litigation, with the exception of the return of £50,000 security for costs paid into Court by Wallace, the second charge holder. The balance of these funds had been retained by the solicitors and part used to settle litigation costs the remainder of which has now been received into the liquidation account (as 2.8 above).

Merchant Inns Limited - In liquidation
Liquidator's Annual Progress Report to Creditors and Members

- 2.11 The report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy was submitted by Mr Holland in accordance with statutory timescales and is confidential.
- 2.12 Nothing has come to my attention during the reporting period to suggest that any further investigation work is required. My statutory reporting duties have been fulfilled as previously reported.

Realisation of Assets

- 2.13 The majority of realisations were achieved by Ian Holland, such as Book Debts of £9,670 and the Snoozebox shares of £89,099. However, as the funds were held in solicitors' client accounts, the reconciliation of their ledgers is the cause of the delay in finalising this liquidation. I refer you to 2.8 of this report.
- 2.14 Since my appointment, I have realised a further £33,575.77 in relation to "sale of the Snoozebox shares" per the solicitors which relates to the release of security of costs from the Court less legal fees incurred.

Creditors (claims and distributions)

- 2.15 As Liquidator, I am required to deal with correspondence and claims from all classes of creditors. This work will not necessarily bring any financial benefit to creditors unless a distribution is anticipated, however, this work is required by statute.

Outcome for Creditors

Secured creditors

- 2.16 Merchant Inns Limited ("MIL") was a wholly owned subsidiary of Merchant-Inns Group Limited ("MIGL"). MIL had secured debts due to Coutts & Co ("Coutts") and Wallace Estates Limited at the date of administration, which according to the Director's Statement of Affairs totalled approximately £15.23m. Coutts also had a cross-guarantee in place for any debt between MIL and MIGL, for approximately £4.85m.
- 2.17 The Administrators completed the sale the business and assets on 30 July 2010, from which Coutts were paid £8.88m from MIL and a further £5.72m from MIGL, resulting in payment in full in respect of their total indebtedness. There have been no further distributions to secured lenders.
- 2.18 Any funds available in MIL at the end of the liquidation will be returned to Wallace as the second charge holder. This includes any surplus amounts provided by Wallace in respect of the administration funding of £265,000.
- 2.19 The Company granted a floating charge to Coutts & Co on 13 May 2008. Accordingly, the provisions to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part) do apply.

Prescribed Part

- 2.20 The Joint Administrators final report advised that they anticipated a distribution to unsecured creditors of the Prescribed Part in the region of £17,000. This was dependent upon debtor realisations in the liquidation. Most of the debtors were collected during the Administration and the debts falling to be realised by the Liquidator were contentious. As a result total realisations in the liquidation amount to £43,245.77 and after liquidation expenses, the sum available for the Prescribed Part is less than the de-minimus limit of £10,000 and so, no distribution will be made.

Merchant Inns Limited - In liquidation
Liquidator's Annual Progress Report to Creditors and Members

Preferential Creditors

- 2.21 Preferential claims totalling £39,371 were agreed during the administration period. Preferential creditors have received a first and final from the Administrators of 100p in the £.

Unsecured Creditors

- 2.22 The Statement of Affairs submitted by the directors in the Administration, estimated unsecured creditors to be in the region of £3.5m.
- 2.23 No claims have been agreed to date and in view of the nominal sum available under the Prescribed Part, I do not consider it viable to commence this process as the costs of the exercise will outweigh the sum available. The sum in hand will be utilised for liquidation costs and there will be no funds available for the unsecured creditors in this matter.

Matters still to be dealt with

- 2.24 As stated elsewhere in this report, the only outstanding matters preventing closure are the reconciliation of the solicitors' ledger and obtaining an official tax clearance from HM Revenue & Customs.

3 Liquidator's Remuneration

Officeholders fees

- 3.1 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.
- 3.2 Mr Holland's time costs for the period from 13 April 2011 to 30 December 2014 are £73,105.75. This represents 323.05 hours at an average rate of £226.30 per hour. Attached as Appendix B is a Time Analysis provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to the time properly spent by Mr Holland in managing the liquidation.
- 3.3 Mr Holland has drawn £73,425.64 plus VAT on account of his costs.
- 3.4 I have not detailed Mr Holland's costs as I am not familiar with his time recording system.
- 3.5 Attached as Appendix C is a time Analysis which provides details of the activity costs incurred by staff grade in managing the liquidation during the reporting period.
- 3.6 My time costs for the reporting period are £4,653.77. This represents 14.50 hours at an average rate of £320.95 per hour.
- 3.7 Also attached as Appendix C is a cumulative time analysis for the period from the date of my appointment. The cumulative time costs incurred to date are £32,564.15. This represents 117.83 hours at an average rate of £276.37 per hour. To date, no fees have been drawn on account.
- 3.8 A copy of 'A Creditors' Guide to Liquidators' Fees' is available, free of charge, on request or can be downloaded from www.mks.co.uk/creditors-guide-fees/.
- 3.9 Attached as Appendix D is additional information in relation to Holland & Co fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

Merchant Inns Limited - In liquidation
Liquidator's Annual Progress Report to Creditors and Members

- 3.10 Attached as Appendix E is additional information in relation to Moore Kingston Smith & Partners LLP's fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

4 Liquidator's expenses and disbursements

- 4.1 Additional information in relation to the expenses and disbursements incurred in the period and drawn to date is given at Appendix E.

5 Creditors' Rights

- 5.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors), may request in writing that the Liquidator provides further information about her remuneration or expenses which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors), may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

6 Next Report

- 6.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.
- 6.2 If you have any queries in relation to the contents of this report, I can be contacted by telephone on 01727 896015 or by email at mhall@mks.co.uk.

Yours faithfully



Michaela Hall
Liquidator

Merchant Inns Limited - In liquidation
Liquidator's Annual Progress Report to Creditors and Members

Appendix A

Receipts and Payments Account for the Period from 31 December 2019 to 30 December 2020 together with a cumulative receipts and payments account for the Period from 13 April 2011 to 30 December 2020

Merchant Inns Limited (In Liquidation)			
Liquidator's Summary of Receipts and Payments			
	Statement of affairs £	From 31/12/2019 To 30/12/2020 £	From 13/04/2011 To 30/12/2020 £
RECEIPTS			
Bank Balances		0.00	0.00
Shares & Investments		0.00	122,674.77
Rates Refund		0.00	3,713.16
Shareholders Funding		0.00	415,000.00
Bank Interest Gross		0.00	1,170.12
Administration Surplus		0.00	326,438.85
Legal Fees (1)		0.00	135.70
Storage Costs		0.00	82.00
Vat Receivable		411.94	1,128.78
Vat Control Account		249.74	122,356.52
		<u>661.68</u>	<u>1,002,377.82</u>
PAYMENTS			
Shareholders Funding		0.00	150,000.00
Specific Bond		0.00	375.00
Special Managers Fees		0.00	6,952.06
Prov. Liquidators Fees		0.00	56,473.58
Sundry Expenses		0.00	914.39
Agents/Valuers Fees (1)		0.00	30.00
Agents/Valuers Fees (2)		0.00	929.97
Legal Fees (1)		0.00	524,974.85
Corporation Tax		0.00	208.06
Storage Costs		3,017.44	29,199.95
Statutory Advertising		0.00	231.50
Bank Charges		0.00	25.00
OTT Unclaimed Dividends		0.00	326.94
Vat Receivable		603.46	122,777.99
Vat Control Account		411.94	1,301.62
		<u>4,032.34</u>	<u>889,719.61</u>
BALANCE - 30 December 2020		<u>(3,371.16)</u>	<u>103,657.91</u>
MADE UP AS FOLLOWS			
Bank 1 Maira		(3,371.16)	97,263.29
Memo Prescribed Parts		0.00	6,394.62
		<u>(3,371.16)</u>	<u>103,657.91</u>


Michaela Hall
Liquidator

Merchant Inns Limited - In liquidation
Liquidator's Annual Progress Report to Creditors and Members

Appendix B

Holland & Co Time Analysis for the Period from 13 April 2011 to 30 December 2014



Ian Holland & Co

TIME & CHARGEOUT SUMMARIES

Merchant Inns

From 13 Apr 2011 to 31 Jul 2013

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Comm With Employee	0.20	0.00	0.50	0.00	0.70	170.00	242.86
Uasing Pay Bur, Emi, let, let	0.00	0.00	1.50	0.00	1.50	285.00	190.00
Review Of EPA Claims	0.20	0.00	0.00	0.00	0.20	75.00	375.00
Employee	0.40	0.00	2.00	0.00	2.40	530.00	220.83
Admin	0.40	0.00	0.00	0.00	0.40	154.00	385.00
Administration Set Up	5.70	3.50	0.00	0.00	9.20	2,500.50	271.79
Banking	0.30	25.00	0.50	10.80	36.70	5,017.50	136.72
Billing	0.50	0.00	0.00	9.60	10.10	1,551.75	153.64
Claim Correspondence	0.00	0.00	1.50	2.00	3.50	875.00	192.86
Dividends	0.00	0.00	0.00	0.50	0.50	95.00	190.00
General Admin	0.00	0.00	32.80	11.30	44.10	8,029.00	182.65
Maintenance of Records	0.00	0.00	0.00	0.50	0.50	85.00	170.00
Periodic Case Review	0.00	0.00	0.00	1.00	1.00	140.00	140.00
Planning	1.30	0.00	0.00	0.00	1.30	474.50	365.00
Statutory Reporting	18.50	5.10	0.00	12.50	36.10	9,653.50	267.41
Tax - Admin & Planning	0.00	0.00	0.50	0.70	1.20	223.00	185.83
Vat Reporting	0.00	0.00	4.50	1.50	6.00	1,140.00	190.00
Administration & Planning	26.70	33.60	39.80	50.50	150.60	29,818.75	198.00
Antecedent Transactions	2.60	0.00	0.00	0.00	2.60	975.00	375.00
CDDA Reporting	0.80	0.00	6.50	0.00	7.30	1,535.00	210.27
Solicitors Advice/Corresp	49.30	0.00	0.00	0.00	49.30	17,501.00	354.99
Investigations	52.70	0.00	6.50	0.00	59.20	20,011.00	338.02

Merchant Inns Limited - In liquidation
Liquidator's Annual Progress Report to Creditors and Members

Ian Holland + Co

TIME & CHARGEOUT SUMMARIES

Merchant Inns

From 13 Apr 2011 to 31 Jul 2013

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Debtor Reconciliation	0.00	0.00	0.00	0.35	0.35	49.00	140.00
Realisation of Assets	0.00	0.00	0.00	0.35	0.35	49.00	140.00
Authorisation Of Expenditure	0.20	0.00	0.00	0.00	0.20	73.00	365.00
Travelling	0.20	0.00	0.00	0.00	0.20	73.00	365.00
Comm. Correspondence	0.00	0.00	0.00	0.25	0.25	35.00	140.00
Creditors Meeting	0.50	0.00	0.00	16.15	16.65	2,443.50	146.76
E-Mails To Creditors	0.00	0.00	1.00	0.00	1.00	180.00	180.00
Filing Of Correspondence	0.00	1.50	0.00	0.00	1.50	125.00	83.33
Letters To Creditors	0.00	3.60	0.00	0.50	4.10	599.00	146.10
Reconciliation Of Cred Claims	0.60	0.00	0.00	0.00	0.60	219.00	365.00
Review Of Creditors Claims	0.00	1.50	0.00	0.00	1.50	180.00	120.00
Tele. Con With Creditors	1.20	0.00	0.00	0.00	1.20	438.00	365.00
Creditors	2.30	5.10	1.00	16.90	25.30	4,219.50	157.44
Total Fees Claimed £	29,552.00	5,250.00	9,037.00	10,662.25		\$4,701.25	
Total Hours	82.30	40.20	49.30	87.75	239.55		
Average Rate	359.08	130.60	183.30	180.35			

CATEGORY 2 DISBURSEMENTS

Type & Purpose	Amount £
01/06/2011 Envelope / Label 560 x 1p	5.60
03/06/2011 Envelope / Label 560 x 0.055	30.80
03/05/2012 Envelope / Label 548 x 1p	5.48
03/05/2012 Envelope / Label 548 x 0.055	30.03
30/05/2013 Envelope / Label 556 labels	5.56
30/05/2013 Envelope / Label 556 envelopes	30.56
03/06/2011 Photocopying 560 x 1 x 0.0225	12.60
03/05/2012 Photocopying 548 x 1 x 0.0225	12.34

Van Holland + Co

Merchant Inns

From 13 Apr 2011 to 31 Jul 2013

HOURS						
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Average Hourly Rate £
30/05/2013	Photocopying		Letters			12.5
03/06/2012	Postage Annual		546 x 1 x 0.0225			12.25
30/05/2013	Postage Annual		1st class uk postage - 551 x 47p			258.9
30/05/2013	Postage Annual		international post - 5 x 78p			3.9
05/06/2013	Postage Annual		Royal Mail underpaid surcharge for annual report s			4.6
03/06/2011	Postage Pre Aopt		560 x 0.39p			218.4
13/06/2011	Search					2.0
01/08/2011	Search					1.0
01/08/2011	Search					1.0
14/10/2011	Search					1.0
11/11/2011	Search					1.0
13/01/2012	Search					3.0
13/01/2012	Search					1.0
10/02/2012	Search					1.0
11/05/2012	Search					2.0
11/05/2012	Search					1.0
28/08/2012	Search					2.0
19/03/2012	Tuba/Taxis		Courier to take boxes to London			35.00
						694.65

Merchant Inns Limited
(in Creditors Voluntary Liquidation)

Summary of Liquidator's Time Costs from 1 August 2013 to 30 December 2014.

	Partner		Senior Administrator		Administrator		Assistant		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	6	78.00	-	-	-	-	-	-	-	78.00	#DIV/0!
Receipts & Payments	20	234.00	105	2,160.00	68	986.00	-	-	179	3,380.00	188.83
Assets	121	780.00	147	3,039.50	197	2,856.50	75	937.50	439	7,613.50	173.43
Liabilities	3	4,723.50	5	102.50	-	-	-	-	126	4,826.00	383.32
General Administration	3	118.50	-	-	-	-	-	-	3	118.50	395.00
Investigations	30	1,171.00	32	661.00	15	217.50	-	-	77	2,049.50	266.17
Case Specific	6	234.00	-	-	-	-	-	-	6	234.00	390.00
	-	-	5	105.00	-	-	-	-	5	105.00	210.00
Total	186	7,339.00	294	6,068.00	280	4,060.00	75	937.50	835	18,404.50	
Average Hourly Rate (£)		394.57		206.39		145.00		125.00		220.41	

All Units are 6 minutes

Merchant Inns Limited - In liquidation
Liquidator's Annual Progress Report to Creditors and Members

Appendix C

Moore Kingston Smith & Partners LLP's Time Analysis for the Period from the 31 December 2019 to 30 December 2020 and Cumulative Time Analysis for the Period from 31 December 2014 to 30 December 2020

Merchant Inns Limited

Summary of Fees and Expenses

From 31/12/2014 to 30/12/2020

Time Costs

The following is a summary of the time costs incurred by the Office Holder and his staff in the administration of this matter. It should be read in conjunction with the Office Holder's Report for the period referred to above.

Work Activity	Partner Hrs	Manager / Supervisor Hrs	Administrator Hrs	Other Hrs	Total Hrs	Time Costs (£)	Average Costs (£)
Administration & Planning	3.75	42.08	14.17		60.00	10,097.48	301.62
Books & Records administration	0.17	1.00			1.17	415.00	354.70
Cashiering - set-up, maintenance & control of accs	0.08	6.92			7.00	2,383.75	341.97
General Admin/Billing/Filing	1.82	10.17	8.20		20.58	5,560.81	270.20
Planning/Investigation/Litigation	0.33				0.33	131.67	399.20
Post Appointment VAT & C Tax	0.08	6.00	4.00		10.08	2,845.44	282.28
Statutory filing with Court, Companies House and BIS	0.08	0.63	0.17		1.08	331.25	308.71
Strategy reviews/Checklists/Diary Compliance	1.08	10.08	1.33		12.50	4,080.82	324.87
Case Planning/Information Capture/Interviews		3.67			3.67	1,138.67	309.72
Dealing with company/liquidator re general admin		1.92			1.92	670.42	349.18
Set-up Administration/PS/Initial correspondence		1.50	0.17		1.67	551.67	330.34
Realisation of Assets	2.00	2.58	0.17		4.75	1,660.00	353.68
Cashiering - banking, realisations & payment costs	1.75	0.67	0.17		2.58	833.34	321.78
Debtors & Credits	0.25				0.25	110.00	440.00
Freehold & Leasehold property/marital home		0.50			0.50	187.50	335.00
Identification, securing, insuring & bonding		0.25			0.25	84.58	338.32
Intangible Assets - Goodwill, Intellectual Property		1.17			1.17	384.58	328.70
Creditors	1.50	19.75	21.58	7.25	50.08	11,827.61	238.17
Correspondence/Preparation of Reports/Meetings	1.50	16.42	10.00	7.25	35.17	9,023.34	256.56
Claims/Proofs		3.33	11.58		14.92	2,814.17	187.89
Investigations		3.00			3.00	959.18	319.72
Information capture/link of correspondence		3.00			3.00	959.18	319.72
Grand Total:	7.25	67.42	35.92	7.25	117.83	32,564.15	

Notes

1 All costs are shown excluding VAT and include an element of unfinished work in progress. It should also be noted that the office holder's fees and other expenses included in his Abstract Receipts and Payments, will include irrecoverable VAT, where the insolvent was not formerly registered for VAT.

2 The time accounting system utilised by Moore Kingston Smith & Partners LLP does not allow for analysis of time, by task, prior to 30 November 2002.

3 The number of hours shown have been rounded to two decimal places.

Disbursements

Category 1 Disbursements

1,810.85

These are out of pocket expenses, which are directly attributable to the case. These are charged to the case and billed as funds allow.

Category 2 Disbursements

These are costs which are allocated to the case, where no direct costs are applicable. In this case, category 2 disbursements have been charged to the case as follows

Photocopies	1,656.75
Postage	1,271.48
	2,928.23

Appendix D

Holland & Co additional information in relation to Liquidator's Fees, Expenses & Disbursements

Ian Holland + Co – Practice fee recovery policy

In accordance with best practice I provide below details of Ian Holland + Co policy in respect of fees and expenses for work in relation to insolvency appointments.

The current and previous charge-out rates per hour for staff within the practice who may be involved in working on an insolvency appointment are as follows:

Grade	Rate effective from 1 July 2014 £	Rate effective from 1 July 2013 £
Partner	395	390
Associate	280	270
Manager	250	245
Senior administrator	210	205
Administrator	145	145
Assistant	125	125
Junior	55	55

These charge-out rates charged are reviewed on 1 July each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Each unit of time is 6 minutes. The work is recorded under the following categories:

Administration and Planning
Investigations
Realisation of assets
Debtors
Creditors
Employee matters
Trading

The officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time cost basis a periodic report will be provided to any committee appointed by creditors or, in the absence of a committee, to the creditors. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs.

Time is charged in 6 minute units

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Agent's Costs

These are re-charged to the insolvent estate at cost based upon the charge made by the Agent instructed. The term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.

Category 1

This heading covers expenses where Ian Holland + Co has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as a specific penalty bond, advertising, couriers, travel (by public transport), searches at Companies House, land registry searches, fees in respect of swearing legal documents, external printing costs, software licence fees etc. In each case the amount recharged to the insolvent estate will be a reimbursement of the specific expense incurred.

Category 2

This heading covers expenses incurred by Ian Holland + Co that are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement allocation being approved by creditors in advance.

Ian Holland + Co propose to recover the following Category 2 disbursements:

Mileage	50p per mile
Copying	2.25p per sheet
Stationery	5.5p per envelope
Labels	1p per label

Where applicable, disbursements will be subject VAT at the prevailing rate.

Ian Holland + Co

Appendix E

Additional Information in Relation to Moore Kingston Smith & Partners LLP's Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 I am not proposing to utilise the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment I have used the professional advisors listed below. I have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Marsh Ltd (insurance)	Scale rate

- 2.2 My choice was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

3 Liquidator's Expenses & Disbursements

- 3.1 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Expenses and Category 1 disbursements				
Specific penalty bond			120.00	120.00
Companies House Searches			3.00	3.00
External storage of books & records			1,395.04	1,900.00
Category 2 disbursements				
Photocopies			1,721.55	1,850.00
Postage			1,539.32	2,075.00

- 3.2 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

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- 3.3 Category 2 disbursements do require approval from creditors, in the same manner as remuneration. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4 Charge-Out Rates

- 4.1 Moore Kingston Smith & Partners LLP's current charge-out rates are detailed below. Please note this firm records its time in minimum units of 5 minutes.

General Practice Rates

Position	Rates from 1 May 2017 to 30 April 2019	Rates from 1 May 2019
Partner	420	440
Licensed Insolvency Practitioner (Non Partner)	380	400
Managers		
Senior Manager	355	375
Manager	330	345
Assistant Manager	295	310
Administrators		
Senior Administrator	260	260
Junior Administrator/Administrator	160-200	175-210
Support Staff		
Experienced Cashier	280	280
Cashier	210	210
Support	130	100-200