

**Return of Final Meeting in a
Creditors' Voluntary Winding UP****S.106****Pursuant to Section 106 of the Insolvency Act
1986**

To the Registrar of Companies

Company Number

05207179

Name of Company

(a) Insert full name of
company

(a) Project CIC Ltd

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

We (b) Richard James Philpott, KPMG LLP, One Snowhill, Snow Hill Queensway,
Birmingham, B4 6GH and Mark Jeremy Orton, KPMG LLP, One Snowhill, Snow Hill
Queensway, Birmingham, B4 6GH

(c) Delete as
applicable

(d) Insert date

(e) 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 (c) summoned for (d) 1
December 2016 pursuant to section 106 of the Insolvency Act 1986, for the
purpose of having an account of which a copy is attached (e) 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 (c) no quorum was present at the meeting

(f) Insert venue of the
meeting

2 give notice that a meeting of the creditors of the company was duly (c) summoned for
(d) 1 December 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 of the company has been
conducted and the property of the Company has been disposed of and

(c) no quorum was present at the meeting

The meeting was held at (f) KPMG LLP, One Snowhill, Snow Hill Queensway, Birmingham, B4
6GH

The winding up covers the period from (d) 1 March 2016 (opening of winding up) to
the final meeting (close of winding up)

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

Signed



Date 5 December 2016

THURSDAY



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08/12/2016

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COMPANIES HOUSE



Joint Liquidators' progress report for the period 1 March 2016 to 1 December 2016

Project CIC Ltd - in
Liquidation

1 December 2016

Notice to creditors

This final report provides an update on the liquidation of the Company

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment

You will find other important information in this report such as the costs which we have incurred in the final period

A glossary of the abbreviations used throughout this document is attached (Appendix 5)

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.insolvency-kpmg.co.uk/case+KPMG+PG209A3253.html> We hope this is helpful to you

Please also note that an important legal notice about this report is attached (Appendix 6).

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1 Executive summary

- This is the final progress report of the liquidation of the Company and includes movements in the final period from 1 March 2016 to 1 December 2016
- As there were no realisable assets in the Company, no realisations have been made during the liquidation (Section 2 - Progress to date)
- There are no funds available for the distribution to the secured creditor, LSREF II Royal Investments Limited (Section 3 – Outcome for creditors)
- There are no funds available for distribution to the preferential creditors (Section 3 - Outcome for creditors)
- There are no funds available for distribution to the unsecured creditors (Section 3 - Outcome for creditors)
- As all matters have been concluded, final meetings of members and creditors were held on 1 December 2016, and the Company will be dissolved three months thereafter
- Please note you should read this report in conjunction with any previous reports issued to the Company's creditors, these can be found at <http://www.insolvency-kpmg.co.uk/case+KPMG+PG209A3253.htm>! Unless stated otherwise, all amounts in this report and appendices are stated net of VAT



Richard Philpott
Joint Liquidator

2 Progress to date

This final report covers the period from the date of our appointment to 1 December 2016

This section provides you with detail of the final outcome of the liquidation. It follows the information provided in our previous report.

2.1 Asset realisations

The Company had no realisable assets and as such, no realisations were made in the liquidation.

Investigations

We can confirm we have complied with the relevant statutory requirements to provide information on the conduct of the Company's directors and any shadow directors to the Department for Business, Innovation and Skills. The contents of our submission are confidential.

2.2 Costs

The only costs of realisations were statutory advertising fees totalling £203. Given that there were no realisations in the liquidation, these costs were paid for by KPMG directly.

2.3 Schedule of expenses

We have detailed the costs incurred during the final period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

3 Outcome for creditors

3.1 Secured creditor

Lloyds Bank held a number of debentures which created fixed and floating charge over all of the Company's assets. In December 2011, Lloyds assigned all claims and rights of interest it had against 'the Group' to LSREF.

At the date of our appointment, the total amount outstanding to LSREF was £96,608,375.

As no realisations have been made, there have not been any funds available to pay a dividend to LSREF.

3.2 Preferential creditors

Claims from employees in respect of (1) arrears of wages up to a maximum of £800 per employee, (2) unlimited accrued holiday pay and (3) certain pension benefits, rank preferentially.

We are not aware of any preferential claims against the Company.

3.3 Unsecured creditors

There are no funds available to pay a dividend to unsecured creditors.

3.4 Final meetings of members and creditors

As all matters have been concluded, final meetings of members and creditors were held on 1 December 2016, and the Company will be dissolved three months thereafter.

If no creditor proposes a resolution to prevent us having our release, we will be automatically released from office at the time at which we vacated office.

4 Joint Liquidators' remuneration and disbursements

The creditors have provided approval that our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided and KPMG's usual charge-out rates for work of this nature

Time costs

From the date of our appointment to 1 December 2016, we have incurred time costs of £26,891 50. These represent 85 70 hours at an average rate of £313 79 per hour.

Remuneration

We have not drawn any remuneration in the liquidation.

Disbursements

During the liquidation, we have incurred and paid disbursements totalling £223 04 (including the statutory advertising costs detailed in Section 2.2). None of these costs have been received from the liquidation estate.

Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the final period from 1 March 2016 to 01 December 2016. We have also attached our charging and disbursements policy.

We obtained fee approval to draw up to £4,195. However, as no realisations have been made, we have not sought a recovery against our time costs.

4.1 Pre-liquidation costs

We have incurred the following pre-liquidation costs:

Pre-Liquidation costs (07/01/2016 to 29/02/2016)						
	Hours					
	Partner / Director	Manager	Administrator	Support	Total	Average Hourly Rate (£)
Pre-liquidation checks		6 50	3 25		9 75	2,858 75
S98 Meeting preparation		7 40			7 40	3,077 00
Statement of Affairs preparation		5 50	0 50		6 00	2,250 00
Total	0 00	19 40	3 75	0 00	23 15	8,185 75

We have not made any recovery against our pre-liquidation costs.

Appendix 1 Statutory information

Company information

Company name	Project CIC Ltd
Previous company names if applicable	N/A
Date of incorporation	16 August 2004
Company registration number	05207179
Previous registered office	Suite 11, Point South, Park Plaza, Heath Hayes, Cannock, Staffs, WS1 2DD
Present registered office	One Snowhill, Snow Hill Queensway, Birmingham, B4 6GH
Trading address	Suite 11, Point South, Park Plaza, Heath Hayes, Cannock, Staffs, WS1 2DD
Nature of business	Holding Company

Liquidation information

Appointed by	Members and creditors pursuant to Section 98 of the Insolvency Act 1986
Date of appointment	1 March 2016
Joint Liquidators' details	Richard Philpott and Mark Orton
Joint Liquidators' address	One Snowhill, Snow Hill Queensway, Birmingham, B4 6GH
Functions	The functions of the Joint Liquidators are being exercised by them individually or together in accordance with Section 231(2) of the Insolvency Act 1986
EC Regulations	EC Regulations apply and these proceedings are the Main Proceedings as defined in Article 3 of the EC regulations

Appendix 2 Joint Liquidators' final receipts and payment account

Project CIC Ltd - in Liquidation			
Abstract of receipts & payments			
Statement of affairs (£)		From 01/03/2016 To 01/12/2016 (£)	From 01/03/2016 To 01/12/2016 (£)
FIXED CHARGE ASSETS			
5 00	Book debts	NIL	NIL
		NIL	NIL
FLOATING CHARGE CREDITORS			
(96,608,375 00)	Floating charge	NIL	NIL
		NIL	NIL
UNSECURED CREDITORS			
(2,341,090 00)	Connected companies	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
(1 00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(98,949,461 00)		NIL	NIL

Appendix 3 Schedule of expenses

Summary of Expenses from appointment				
Expenses (£)	Total for Administration			Total (£)
	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Future costs (£)	
Cost of realisations				
Liquidators' fees	0 00	26,891 50	0 00	26,891 50
Liquidators' disbursements	0 00	20 00	0 00	20 00
Statutory advertising	0 00	203 04	0 00	203 04

Creditors should note that none of the above expenses were or will be paid out of the liquidation estate. The statutory advertising fee was paid by KPMG directly and we are not seeking recovery against our time costs or disbursements.

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this report, you must do so in writing within 21 days of receiving this report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this report, you must do so by making an application to Court within eight weeks of receiving this report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant Rules can be provided on request by writing to Pavithra Srikrishnan at KPMG LLP, One Snowhill, Snow Hill Queensway, Birmingham, B4 6GH.

Appendix 4 Joint Liquidators' charging and disbursements policy

Joint Liquidators' charging policy

The time charged to the liquidation is by reference to the time properly given by us and our staff in attending to matters arising in the liquidation. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the liquidation to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Liquidators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at

<https://www.r3.org.uk/what-we-do/publications/professional/fees/liquidators-fees>

If you are unable to access this guide and would like a copy, please contact Pavithra Srikrishnan on 0115 9363636

Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this liquidation. Time is charged by reference to actual work carried out on the liquidation.

All staff who have worked on the liquidation, including cashiers and secretarial staff, have charged time directly to the liquidation and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the liquidation but is reflected in the general level of charge-out rates.

Charge-out rates (£) for: Restructuring		
Grade	From 01 Oct 2015 £/hr	From 01 Nov 2016 £/hr
Partner	595	625
Director	535	560
Senior Manager	485	510
Manager	405	425
Senior Administrator	280	295
Administrator	205	215
Support	125	131

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidation.

Policy for the recovery of disbursements



Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows

Category 1 disbursements These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile
- Use of company car – 60p per mile
- Use of partner's car – 60p per mile

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have not incurred any disbursements during this final period.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Advertising	203.04		NIL		203.04
Sundry	20.00		NIL		20.00
Total	223.04		NIL		223.04

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

The Category 2 disbursements have not been approved.

Narrative of work carried out for the period 1 March 2016 to 1 December 2016

The key areas of work have been:

Statutory and compliance	■ collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets and information relating to the licences,
	■ providing initial statutory notifications of our appointment to the Registrar of Companies,

	<ul style="list-style-type: none"> creditors and other stakeholders, and advertising our appointment, ■ preparing statutory receipts and payments accounts, ■ arranging bonding and complying with statutory requirements, ■ dealing with all closure related formalities, ■ ensuring compliance with all statutory obligations within the relevant timescales
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ formulating, monitoring and reviewing the liquidation strategy, ■ reviewing and authorising junior staff correspondence and other work, ■ dealing with queries arising during the appointment, ■ reviewing matters affecting the outcome of the liquidation, ■ complying with internal filing and information recording practices, including documenting strategy decisions
Reports to debenture holders	<ul style="list-style-type: none"> ■ providing written and oral updates to representatives of secured creditors regarding the progress of the liquidation and case strategy
Tax	<ul style="list-style-type: none"> ■ gathering initial information from the Company's records in relation to the taxation position of the Company, ■ submitting relevant initial notifications to HM Revenue and Customs, ■ reviewing the Company's pre-appointment corporation tax and VAT position, ■ dealing with post appointment tax compliance
Shareholders	<ul style="list-style-type: none"> ■ providing notification of our appointment, ■ responding to enquiries from shareholders regarding the liquidation
Creditors and claims	<ul style="list-style-type: none"> ■ convening and preparing for the meeting of creditors, ■ creating and updating the list of unsecured creditors, ■ responding to enquiries from creditors regarding the liquidation and submission of their claims, ■ drafting our report

Time costs

SIP 9 –Time costs analysis (01/03/2016 to 01/12/2016)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	0 40	199 00	497 50
General			
Books and records	0 50	242 50	485 00
Statutory and compliance			
Appointment and related formalities	5 30	1,753 50	330 85
Checklist & reviews	7 20	3,176 00	441 11
Closure and related formalities	11 35	4,785 25	421 61
Reports to debenture holders	0 50	242 50	485 00
S98 Meeting preparation	2 50	1,212 50	485 00
Statutory advertising	0 40	18 00	45 00
Statutory receipts and payments accounts	0 20	41 00	205 00
Strategy documents	3 50	1,017 50	290 71
Tax			
Initial reviews - CT and VAT	0 50	242 50	485 00
Post appointment corporation tax	17 95	4,022 25	224 08

SIP 9 –Time costs analysis (01/03/2016 to 01/12/2016)			
	Hours	Time Cost (£)	Average Hourly Rate (£)
Post appointment VAT	3 60	1,512 50	420 14
Creditors			
Creditors and claims			
Agreement of unsecured claims	0 50	242 50	485 00
General correspondence	0 50	102 50	205 00
Secured creditors	0 10	40 50	405 00
Statutory reports	15 00	3,635 00	242 33
Employees			
Pensions reviews	5 90	1,302 00	220 68
Investigation			
Directors			
D form drafting and submission	9 50	3,022 50	318 16
Realisation of assets			
Asset Realisation			
Debtors	0 10	40 50	405 00
Open cover insurance	0 20	41 00	205 00
Total in period	85 70	26,891 50	313 79
Brought forward time (appointment date to SIP 9 period start date)	0 00	0 00	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	85 70	26,891 50	
Carry forward time (appointment date to SIP 9 period end date)	85 70	26,891 50	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Appendix 5 Glossary

Company	Project CIC Ltd - in Liquidation
Group	The Company together with, Pritchard Group PLC and its subsidiaries, Pritchard Estate Cannock Ltd and its subsidiaries, Pritchard Construction Limited, Pritchard Associates Limited, and Pritchard Management Limited
Joint Liquidators/we/our/us	Richard Philpott and Mark Orton
KPMG	KPMG LLP
Secured creditor/ LSREF	LSREF II Royal Investments Limited
Bank/ Lloyds	Lloyds Bank Plc
Impulse	Impulse Property Developments Limited- in administration

Any references in this report to Sections, Paragraphs and Rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules 1986 respectively

Appendix 6 Notice: About this report

This progress report has been prepared by Richard Philpott and Mark Orton, the Joint Liquidators of Project CIC Ltd (the 'Company'), solely to comply with their statutory duty under the Insolvency Act and Rules 1986 to provide members and creditors with an update on the progress of the liquidation of the estate, and for no other purpose

This report is not suitable to be relied upon by any other person, or for any other purpose or in any other context including any decision in relation to the debt of or any financial interest in the Company or any other company in the Group. Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Act and Rules 1986 (as amended) does so at their own risk

Richard James Philpott and Mark Jeremy Orton are authorised to act as insolvency practitioners by the Insolvency Practitioners Association

We are bound by the Insolvency Code of Ethics

The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the liquidation

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