

Rule 4 49C The Insolvency Act 1986

**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986**

To the Registrar of Companies

Company Number

05481475


Name of Company

(a) Insert full
name of
company**(a) CELTIC PHARMA DEVELOPMENT UK PLC**(b) Insert full
name(s) and
addresses(s)**I/We (b)****Liam Alexander Short
Elwell Watchorn & Saxton LLP
First Floor
1 East Poultry Avenue
London EC1A 9PT****Joseph Gordon Maurice Sadler
Elwell Watchorn & Saxton LLP
Cumberland House,
35 Park Row
Nottingham NG1 6EE**the liquidator(s) of the company attach a copy of my/our Progress Report under
Section 192 of the Insolvency Act 1986

The Progress Report covers the period from 15 April 2015 to 14 April 2016

Signed

Date 06 June 2016


Joseph Gordon Maurice SadlerPresenter's
name,
address and
reference
(if any)**Joseph Gordon Maurice Sadler
Elwell Watchorn & Saxton LLP
Cumberland House,
35 Park Row
Nottingham NG1 6EE****For Official Use**Liquidation
Section

Post Room

THURSDAY



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COMPANIES HOUSE

LAS JGMS RPN DLS CEL03

3 June 2016

TO ALL MEMBERS & CREDITORS

Dear Sirs

CELTIC PHARMA DEVELOPMENT UK PLC ("the Company")

IN CREDITORS VOLUNTARY LIQUIDATION

Company number: 05481475

Office holders: Liam Alexander Short and Joseph Gordon Maurice Sadler ("the Liquidators")

Date of appointment: 15 April 2014

Previous Registered Office: 4th Floor, Reading Bridge House, George Street, Reading, Berkshire RG1 8LS

Registered Office: First Floor, 1 East Poultry Avenue, London EC1A 9PT

In accordance with Rule 4.49C of the Insolvency Rules 1986 (as amended), we write to provide all members and creditors of the company with an account of the Liquidators' acts and dealings and of the conduct of the winding-up for the period 15 April 2015 to 14 April 2016. This report should be read in conjunction with my previous reports dated 17 April 2014 and 10 June 2015.

We enclose the following documentation for your information -

- a) Liquidators' receipts and payments account
- b) Schedule of Liquidators' remuneration and disbursements

Asset realisations

Overall asset realisations, as originally anticipated on the estimated statement of affairs as at 15 April 2014, are nil save for 3p bank interest which arose under the group VAT registration arrangement as Celtic Pharma Development UK PLC is the lead company in the VAT group. A VAT refund was due to Xenova Limited, an associated company within the VAT group registration (and also in liquidation). The refund was therefore paid through Celtic Pharma PLC.

Shares and Investments

As previously reported, no realisations were or are anticipated in this regard.

Cash at Bank

As previously reported, the Company formerly operated a bank account, but it held no balance.

Deed of Charge Holder

As previously reported, the Company had granted a deed of charge on 6 February 2007 and registered on 20 February 2007 to Bank of New York Mellon. This granted a fixed charge over the intellectual property rights of the Company. The Company provided a guarantee in relation to associated company borrowing. The bank acted as trustee for the guarantee holders, being the noteholder creditors. The noteholder creditors were estimated at \$400,000,000, which based upon official rates as at 14 April 2014, were estimated at £239,125,931.

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VAT registration number 655 0983 15
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Members: David Watchorn Limited Paul Saxton Limited Graham Woiloff Limited Joe Sadler Limited



Preferential creditors

There were no preferential creditors disclosed on the estimated statement of affairs and we confirm that no claims have been received in this regard. In summary, preferential claims in this matter total nil and nothing has been distributed to this class of creditor.

Floating charge creditor(s)

There was no creditor secured by a floating charge and the requirement under Section 176A of the Insolvency Act 1986 that a proportion of the net property (as defined) available to the floating charge holder (the Prescribed Part) is set aside for the benefit of the non-preferential creditors will not apply.

Non-preferential creditors

Crown creditors – No Crown creditor liabilities were estimated as in the statement of affairs. However, a claim for £100 has been received in respect of a Corporation Tax penalty for the period 1 Jan 2012 to 31 Dec 2012.

As indicated at the outset, there are no monies available to make a distribution to the non-preferential creditors and we have not taken steps to formally admit the creditors' claims. In summary, non-preferential claims in this matter (including contingent claims) totalled £19,689 on the estimated statement of affairs, formal claims have been received in the total sum of £nil and £nil has been distributed to this class of creditor.

Further work undertaken

In respect of the requirements of Statement of Insolvency Practice 2, no further action or investigation is required.

As previously advised, the Company formed part of a group involved in the development and trials of experimental drugs. The ultimate parent company, Celtic Pharma Phinco BV is the subject of an insolvency process in the Netherlands. We have continued to liaise with the Dutch Liquidator over various matters regarding the case. We have also liaised further with principle stakeholders including the New York Bank of Mellon.

You will no doubt recall that the group held a substantial quantity of records which are believed to include trials data as well as company financial records held over two sites. We evaluated the content to establish any potential value to any stakeholder and to ensure that the records would be ultimately dealt with appropriately. I can confirm that the company records formally held at Iron Mountain have now been destroyed. Approximately 400 boxes of records pertaining to this and other group companies still remain to be dealt with.

Additionally, we have discharged our statutory duties as Liquidators in the day to day matters associated with the case. The appointee is bound by the Insolvency Code of Ethics when carrying out work relating to the insolvency appointment.

Outstanding matters

In summary, the following key matters remain outstanding -

- to deal with the remaining books and records of this company
- to continue to discharge any professional courtesies as required by the liquidator of Celtic Pharma Phinco BV

Liquidators' remuneration

Due to the anticipated lack of funds in the case, no resolutions in respect of preparation of Statement of Affairs fee, joint liquidator's remuneration or disbursements have been sought from creditors. To date, no payments have been drawn and none are anticipated.

A guide to help creditors understand the law and their rights in relation to an insolvency process can be found at -

<http://www.creditorinsolvencyguide.co.uk>

Additional information regarding how the liquidator will be paid can be downloaded at -
<https://www.r3.org.uk/what-we-do/publications/professional/fees>
Alternatively, a Creditor may obtain a printed copy by contacting this office directly

Professional advisers engaged by the joint liquidators

No professional advisers have been engaged by the joint liquidators

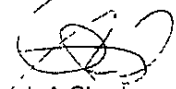
Declaration regarding treatment of VAT and accruals

In accordance with Statement of Insolvency Practice 7, all entries are shown net of VAT, with VAT recorded on a separate line. The receipts and payments account discloses all receipts and payments in the reporting period. However, there may be additional accrued expenditure due in respect of storage of company records and postage, stationery, telephone, mileage and external disbursements. These charges may be drawn upon case closure in accordance with any resolution previously approved by creditors.

Disclaimer

This report has been circulated for the sole purpose of providing creditors with an update for information purposes only to fulfil the necessary statutory requirement. The contents are private and confidential and may not be relied upon, referred to, reproduced in whole or in part or otherwise used by creditors for any purpose other than providing an update for them for information purposes, or by any other person for any purpose whatsoever.

Yours faithfully



L A Short

Joint Liquidator

Licensed in the United Kingdom to act as an insolvency practitioner
by the Association of Chartered Certified Accountants

Receipts and Payments Abstract:**CELTIC PHARMA DEVELOPMENT UK PLC
IN CREDITORS VOLUNTARY LIQUIDATION**

Bank, Cash and Cash Investment Accounts' From 15 April 2014 To 14 April 2016

SOA Value £	15 April 2015 to 14 April 2016		Total to 14 April 2016	
	£	£	£	£
SECURED ASSETS				
0 00 Shares and Investments	<u>0 00</u>		<u>0 00</u>	
		0 00		0 00
SECURED CREDITORS				
(239,125,931 00) Bank of New York Mellon	<u>0 00</u>		<u>0 00</u>	
		0 00		0 00
ASSET REALISATIONS				
0 00 Bank Interest	<u>0 00</u>		<u>0 03</u>	
		0 00		0 03
UNSECURED CREDITORS				
(5 00) Noteholder Litigation Creditors	0 00		0 00	
(1 00) Contingent Creditor Claims	0 00		0 00	
(19,683 00) Trade and Expense Creditors	<u>0 00</u>		<u>0 00</u>	
		0 00		0 00
EQUITY				
(21,704,420 00) Ordinary	<u>0 00</u>		<u>0 00</u>	
		0 00		0 00
(260,850,040 00)		<u>0 00</u>		<u>0 03</u>
REPRESENTED BY				
Current Account - Interest bearing			<u>0 03</u>	<u>0 03</u>

**CELTIC PHARMA DEVELOPMENT UK PLC
IN CREDITORS VOLUNTARY LIQUIDATION**

SCHEDULE OF JOINT LIQUIDATORS' REMUNERATION AND DISBURSEMENTS

Firm's charging policy

It is the firm's policy that all staff involved on an assignment will record all time spent on dealing with matters arising on that client and that the time will be categorised to show the type of activity carried out. The charge out rates of partners, directors and managers do not therefore include provisions for time spent by secretaries, cashiers and support staff. From 1 October 2015, additional categories of staff activity have been introduced to facilitate more detailed reporting where it is appropriate to do so.

The time cost to the estate is calculated by multiplying the time spent by the individual by their charge-out rate. Time is recorded in units of 6 minutes, with 10 units making up each hour of time spent. Charge-out rates are reviewed annually and are subject to change without prior notice. Full details of the rates applied to a specific case are available on application.

The charge-out rates of the persons involved in this case from commencement to the current time are as follows -

	<i>Charge-out rate at commencement (up to £ per hour)</i>
Partner	195 00
Director	165 00
Manager	135 00
Other professionals	105 00
Administrative staff	45 00

A guide to help creditors understand the law and their rights in relation to an insolvency process can be found at -

<http://www.creditorinsolvencyguide.co.uk>

Additional information regarding how the Insolvency Practitioner will be paid can be downloaded under "Fees" at -

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

Alternatively, a creditor may obtain a printed copy by contacting this office directly.

Joint liquidators' remuneration

Currently, due to lack of available funds in the case, we have made no endeavours to seek agreement to a basis of remuneration from creditors.

The time costs during the course of my administration for the period covered by this report are summarised below -

<i>Work category</i>	<i>Partner hours</i>	<i>Director hours</i>	<i>Manager hours</i>	<i>Professional staff hours</i>	<i>Admin staff hours</i>	<i>Total hours</i>
Administration (inc statutory reporting)	0 90	10 00	-	4 50	-	15 40
Investigations	-	-	-	-	-	-
Realisation of assets	-	-	-	-	-	-
Creditors (claims and distribution)	-	0 20	-	-	-	0 20
<i>Totals</i>	<i>0 90</i>	<i>10 20</i>	<i>-</i>	<i>4 50</i>	<i>-</i>	<i>15 60</i>

The total time costs during the course of my administration to the end of the current reporting period are summarised below -

<i>Work category</i>	<i>Partner hours</i>	<i>Director hours</i>	<i>Manager hours</i>	<i>Professional staff hours</i>	<i>Admin staff hours</i>	<i>Total hours</i>
Administration (inc statutory reporting)	2 40	27 70	-	8 40	-	38 50
Investigations	-	1 90	-	8 90	-	10 80
Realisation of assets	-	-	-	-	-	-
Creditors (claims and distribution)	-	0 70	-	-	-	0 70
Totals	2 40	30 30	-	17 30	-	50 00

Joint liquidators' disbursements

As with joint liquidators' remuneration above, due to lack of available funds in the case we have made no endeavours to seek agreement to a basis of payment of disbursements from creditors. However, for information, disbursements are generally summarised as follows -

Category 1, disbursements not requiring approval represent a re-charge to the estate for direct costs, payable to independent third parties, specifically incurred in the administration of the estate. In certain instances these costs were initially met from the firm's resources due to the lack of funds available at the time that payment was due.

Category 2, disbursements requiring approval, represent a charge to the estate for the costs incurred by the firm specifically in relation to the estate. Currently, no basis for charging such disbursements has been agreed by creditors.

Statement of creditors rights to receive further information

Within 21 days of receipt of this progress report, a creditor may request the office holder to provide further information about the remuneration and expenses set out in this report. A request must be in writing, and may be made by

- A secured creditor
- A non-preferential creditor with the concurrence of at least 5% in value of the creditors (including that creditor)
- Any non-preferential creditor with the permission of the court

The office holder must provide the requested information within 14 days, unless he considers that

- the time or cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the proceedings or might be expected to lead to violence against any person, or
- the office holder is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing the information

Any creditor may apply to the court within 21 days of the office holder's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

Statement of creditors rights to challenge remuneration and/or expenses

Under Rule 4.131 of the Insolvency Rules 1986 (as amended), any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for remuneration is inappropriate.

A copy of our Standard Terms of Business may be downloaded from -
<http://www.ewslip.co.uk/downloads>

Alternatively, a Creditor may obtain a printed copy by contacting this office directly.