

## Liquidator's Progress Report

# S.192

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

06676987

Name of Company

Marlwood Plc

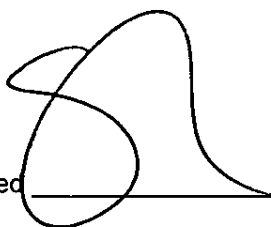
I / We

Stephen Hunt, Tavistock House South, Tavistock Square, London, WC1H 9LG

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 30/08/2013 to 29/08/2014

Signed



Date

28/10/2014

Griffins  
Tavistock House South  
Tavistock Square  
London  
WC1H 9LG

Ref MARLW02/SJH/IPU/VP

THURSDAY



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A35

30/10/2014

#28

COMPANIES HOUSE

**Marlwood Plc  
In Creditors' Voluntary Liquidation**

**Liquidator's annual progress report to members and creditors  
for the year ending 29 August 2014**



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- B Liquidator's receipts and payments account for the period 30 August 2013 to 29 August 2014
- C Stephen Hunt's time analysis for the period 30 August 2013 to 29 August, together with details of charge out rates, provided in accordance with the Statement of Insolvency Practice 9
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- E Form 4 22 - Notice of creditors' meeting
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## **1 Introduction**

The company was placed into administration on 27 January 2012 and Costas Morfakis of Bond Partners LLP was appointed Administrator. Since his appointment, Mr Morfakis relocated to Axiom Recovery LLP.

Following a High Court Order dated 8 March 2013, Mr Morfakis was removed as Administrator and Mr Kevin Hellard of Grant Thornton UK LLP, and I, were appointed Joint Administrators in his place.

The administration was due to expire on 27 March 2013, however, as per the block transfer order dated 8 March 2013, the administration was extended by six months from the date of the order.

Following the filing of the form 2 34B with the Registrar of Companies, Kevin Hellard and I were appointed Joint Liquidators on 30 August 2013. Please note that Mr Hellard received his resignation as Joint Liquidator by way of a Court Order dated 27 November 2013.

This report provides an update on the progress of the liquidation during the period

Additional information as required pursuant to Rule 4 49C of the Insolvency Rules 1986 is attached at Appendix A.

## **2 Receipts and payments accounts**

An account of my receipts and payments for the period 30 August 2013 to 29 August 2014 is at Appendix B, together with a comparison with the director's Statement of Affairs.

## **3 Realisation of assets**

### Funds transferred from the administration

The total funds transferred from the administration account total £16,940 28.

The majority of these funds were received from the outstanding disputed debt due from Avon Cosmetics Limited for which a full and final settlement was reached in the administration.

### Other realisations

A VAT refund in the amount £3,842 17 and gross interest amounting to £90 75 have been received during the reporting period.

## **4 Investigations**

A review of the company's books and records will be conducted in order to identify any unusual or exceptional transactions, or evidence of misfeasance by the former directors.



My investigations will also encompass a review of the conduct of the Mr Morfakis during his time in office

## **5 Creditors**

### Secured creditors

No creditors hold security over the company's assets

### Preferential creditors

No preferential claims have been received in the liquidation to date and none are expected

### Unsecured creditors

The unsecured claims received to date amount to £1,494,968 82

If you have not already submitted your claim in the liquidation then please do so now I would, however, comment that I am currently unable to confirm whether unsecured creditors will receive a dividend

## **6 Liquidator's remuneration**

The time recorded by my staff and I for the period 30 August 2013 to 29 August 2014 totals £15,480 44, which represents 56 58 hours at an average charge out rate of £273 59 per hour

The time recorded by Mr Hellard and his staff for the entire period of his appointment, totals £528 05, which represents 1.62 hours at an average charge out rate of £325 96 per hour

The time spent on this case relates to the following matters

- Attending to correspondences and telephone calls with creditors
- Recording and acknowledging creditors' claims
- Investigating into the affairs of the company and the conduct of Costas Morfakis
- Preparation and submission of statutory reports
- Obtaining bonding and completing bond reviews to enable the Liquidator to continue to act
- Updating the Insolvency Practitioners System
- Review and statutory compliance which includes submissions to Companies House

Attached at Appendices C and D is my time analysis report and that of Mr Hellard, which provide details of the activity costs incurred by staff grade to date, together with details of charge out rates



I will be proposing the followings resolutions at the meeting of creditors

- 1 To approve Stephen Hunt be remunerated on the basis of the time properly spent by him and his staff in dealing with the liquidation
- 2 To approve Kevin Hellard be remunerated on the basis of the time properly spent by him and his staff in dealing with the liquidation during his period as Joint Liquidator

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

## **7 Liquidator's expenses**

### Liquidator's expenses

Disbursements have been incurred in accordance with the Statement of Insolvency Practice 9, these disbursements are defined by two categories Category 1 disbursements relate to direct expenses and Category 2 disbursements relate to indirect expenses Please note that it is Griffins' policy not to charge Category 2 disbursements

The table below sets out the disbursements incurred and paid in the period of this report

	Expenses incurred £	Expenses paid £	Expenses outstanding £
<b>Category 1 Disbursements</b>			
Statutory advertising	80.65	80.65	Nil

## **8 Creditors' meeting**

The Notice convening the meeting of creditors is attached, together with a proxy form and a proof of debt form, at Appendices E, F and G

Proxy forms must be lodged at the offices of Griffins, Tavistock House South, Tavistock Square, London WC1H 9LG, no later than 12 noon on the last business day prior to the date of the meetings. The meetings are purely formal and unless you have a query that cannot be satisfied through correspondence, your attendance at the meetings is not specifically required. If there are any matters requiring clarification, please do not hesitate to contact me.

## **9 Creditors' rights**

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 provide further information about his remuneration or expenses which have been itemised in this progress report.

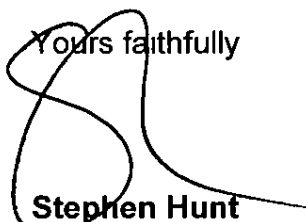


Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to Court on the grounds that, in all circumstances, the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive

## **10 Next report**

I will report again following the next anniversary of the liquidation, or sooner if the administration of the liquidation is complete.

Yours faithfully



**Stephen Hunt**  
Liquidator

28 October 2014



**Marlwood Plc**  
**In Creditors' Voluntary Liquidation**

Statutory information





**Company information**

Company name	Marlwood Plc
Trading name	n/a
Company registration number	06676987
Nature of business	Holding company
Registered office	Tavistock House South, Tavistock Square, London WC1H 9LG
Previous registered office	Suite 2, 1st Floor Turnpike Gate House Birmingham Road Alcester
Trading address	Beechfield House, Winterton Way Lyme Green Macclesfield Cheshire SK11 0LP

**Current Liquidator's details**

Name	Stephen Hunt
IP number	9183
Name of firm	Griffins
Firm's address	Tavistock House South, Tavistock Square, London WC1H 9LG
Date of appointment	30 August 2014

**Former Joint Liquidator's details**

Name	Kevin John Hellard
IP number	8833
Name of firm	Grant Thornton UK LLP
Firm's address	30 Finsbury Square, London, EC2P 2YU
Date of appointment	30 August 2014



**Marlwood Plc  
In Creditors' Voluntary Liquidation**

The Liquidator's receipts and payments account for the period 30 August 2013 to 29  
August 2014



**Marlwood Plc**  
**(In Liquidation)**  
**The Liquidator's Abstract of Receipts & Payments**

Statement of Affairs	From 30/08/2013 To 29/08/2014	From 30/08/2013 To 29/08/2014
ASSET REALISATIONS		
Administration VAT Refund	3,842 17	3,842 17
HANDOVER FROM ADMINISTRATO	16,940 28	16,940 28
Bank Interest Gross	90 75	90 75
	<u>20,873 20</u>	<u>20,873 20</u>
COST OF REALISATIONS		
Statutory Advertising	80 65	80 65
	<u>(80 65)</u>	<u>(80 65)</u>
	<u><b>20,792 55</b></u>	<u><b>20,792.55</b></u>
REPRESENTED BY		
VAT Receivable		15 07
Bank of Scotland Current A/c		20,777 48
		<u><b>20,792.55</b></u>

Stephen Hunt  
Liquidator



**Marlwood Plc  
In Creditors' Voluntary Liquidation**

Stephen Hunt's time analysis for the period 30 August 2013 to 29 August 2014, together with details of charge out rates, provided in accordance with the Statement of Insolvency Practice 9



# Time Entry - SIP9 Time & Cost Summary

MARLW02 - Marlwood Plc  
Project Code POST  
From 30/08/2013 To 29/08/2014

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Administrators	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.08	0.25	7.08	0.08	30.00	37.50	10,211.26	272.30
Creditors	0.00	0.00	0.00	0.00	0.58	0.58	145.83	249.99
Investigations	0.00	0.00	5.67	0.00	12.67	18.33	5,065.02	276.27
Legal & Litigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of Assets	0.00	0.00	0.17	0.00	0.00	0.17	58.33	349.98
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>0.08</b>	<b>0.25</b>	<b>12.92</b>	<b>0.08</b>	<b>43.25</b>	<b>56.58</b>	<b>15,480.44</b>	<b>273.59</b>
<b>Total Fees Claimed</b>							<b>0.00</b>	
<b>Total Disbursements Claimed</b>							<b>0.00</b>	

# Time Entry - SIP9 Time & Cost Summary

MARLW01 - Marlwood Plc  
Project Code POST  
From 29/01/2012 To 07/03/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	13 70	8 70	0 00	61 00	83 40	22 436 00	269 02
Case Specific Matters	3 70	1 40	0 00	20 10	25 20	6 241 00	247 66
Creditors	3 50	0 00	0 00	15 80	19 30	4 484 00	232 33
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Legal & Litigation	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of Assets	13 30	2 30	0 00	9 90	25 50	8 575 00	336 27
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total Hours</b>	<b>34 20</b>	<b>12 40</b>	<b>0 00</b>	<b>106 80</b>	<b>153 40</b>	<b>41 736 00</b>	<b>272 07</b>
<b>Total Fees Claimed</b>						<b>19 750 00</b>	
<b>Total Disbursements Claimed</b>						<b>0 00</b>	

## GRIFFINS POLICY ON CHARGEOUT RATES AND DISBURSEMENTS

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

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

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

The above rates are reviewed annually on 1 October

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

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

### DISBURSEMENTS

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>1</sup> requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at

### DEFINITIONS

Practice guidance<sup>1</sup> classifies expenses into two broad categories

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

### CHARGING POLICY

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



## **GRIFFINS POLICY ON CHARGEOUT RATES AND DISBURSEMENTS**

### **SCHEDULE OF STANDARD CHARGEOUT RATES IN RESPECT OF GRIFFINS PARTNERS AND STAFF AS AT 1 OCTOBER 2013 AS AMENDED 1 MAY 2014.**

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

<b>Grade of staff</b>	<b>Hourly Rate</b>
Partners	£450 - £565
Managers	£300 - £450
Senior Investigators	£325 - £425
Administrators/Investigators	£200 - £360
Junior Administrators/Junior Investigators	£150 - £250
Support Staff	£70 - £220

The above rates are reviewed annually on 1 October

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

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

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### **CHARGING POLICY**

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1 - Statement of Insolvency Practice 9 (England and Wales)



**Marlwood Plc  
In Creditors' Voluntary Liquidation**

Kevin Hellard's time analysis for the entire period of his appointment, together with details of charge out rates, provided in accordance with the Statement of Insolvency Practice 9



# Marlwood Plc - In Administration - M30202343 - SIP 9 TIME COST ANALYSIS

Job(s) : ADM

Transaction period : All transactions

Export version - standard      Export version - detail      Detailed Version

Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hrly Rate
Administration and Planning			.95	367.50	34	84.80	.13	23.75	1.42	476.05	335.25
Creditors											
Hiatus period											
Investigations					.20	52.00			.20	52.00	260.00
Realisation of Assets											
Trading											
Total			.95	367.50	.54	136.80	.13	23.75	1.62	528.05	325.96

Total fees billed to date (Time) : £



## **EXPLANATION OF GRANT THORNTON UK LLP CHARGING AND DISBURSEMENT RECOVERY POLICIES**

### **INTRODUCTION**

The following information is provided in connection with the Administrator's remuneration and disbursements in accordance with Statement of Insolvency Practice ("SIP") 9

### **TIME COSTS**

All partners and staff are charged out at hourly rates appropriate to their grade. The hourly charge-out rates are updated annually on 1 July. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (i.e. secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

The detailed rates presently applying are as follows:

	<b>Rates per hour 1 July 2013</b>	<b>Rates per hour 1 July 2014</b>
Partners/Director	up to £600	up to £615
Associate Director/Manager	up to £390	up to £400
Executives/ Administrators	up to £295	up to £305
Assistant and support staff	up to £220	up to £230

### **DISBURSEMENTS**

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case, will be charged to the estate as a cost, with no uplift. These include but are not limited to such items as case advertising, storage, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case. Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits, or AA recommended rates.

Category 2 or indirect Disbursements as defined by SIP 9 are not charged to the case.

1 July 2013



**Marlwood Plc  
In Creditors' Voluntary Liquidation**

Form 4 22 - Notice of creditors' meeting



**Notice to creditors of a meeting of creditors****Marlwood Plc (In Liquidation)**

A meeting of the creditors of Marlwood Plc has been summoned by the Liquidator pursuant to Rule 4.54 of the Insolvency Rules 1986 for the purpose of agreeing the basis of the Liquidator's remuneration

At the meeting I will be proposing the following resolutions

- 3 To approve Stephen Hunt be remunerated on the basis of the time properly spent by him and his staff in dealing with the liquidation
- 4 To approve Kevin Hellard be remunerated on the basis of the time properly spent by him and his staff in dealing with the liquidation during his period as Joint Liquidator

The meeting will be held as follows

Date 21 November 2014

Time 11 00 am

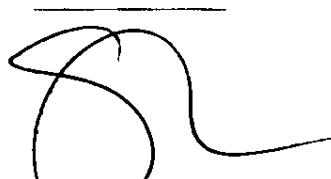
Place Griffins, Tavistock House South, Tavistock Square, London WC1H 9LG

A proxy form is enclosed which must be lodged at the offices of Griffins, Tavistock House South, Tavistock Square, London WC1H 9LG no later than 12 noon on the working day immediately before the meeting to entitle you to vote by proxy at the meeting, together with a completed proof of debt form if you have not already lodged one

A creditor entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a creditor. A creditor also has the right to propose a resolution to be voted on by the meeting

Dated

Signed



**Stephen Hunt**

Liquidator

Griffins

Tavistock House South

Tavistock Square

London



**Marlwood Plc**  
**In Creditors' Voluntary Liquidation**

Proxy form



Proxy (Members' or Creditors' Voluntary Winding Up)

Marlwood Plc  
In Creditors' Voluntary Liquidation

Please give full name and address for communication

Name of creditor

Address of creditor

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name of proxy holder

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

1 \_\_\_\_\_  
2 \_\_\_\_\_  
3 \_\_\_\_\_

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

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on 21 November 2014 or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion)

1 To approve Stephen Hunt be remunerated on the basis of the time properly spent by him and his staff in dealing with the liquidation

[For/Against]

2 To approve Kevin Hellard be remunerated on the basis of the time properly spent by him and his staff in dealing with the liquidation during his period as Joint Liquidator

[For/Against]

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

Signature \_\_\_\_\_ Date \_\_\_\_\_

This form must be signed

Name in CAPITAL LETTERS – \_\_\_\_\_

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

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

Please note that if you nominate the chairman of the meeting to be your proxy he will either be a senior staff member of Griffins or the current Liquidator



**Marlwood Plc  
In Creditors' Voluntary Liquidation**

Proof of debt form





**Proof of debt form****Marlwood Plc  
In Creditors' Voluntary Liquidation****Date of liquidation : 30 August 2013**

<b>1 Name of creditor</b>	
<b>2 Address of creditor</b>	
<b>3 Total claim, including VAT, as at the date of liquidation</b>	
<b>4 Details of documents by which debt can be substantiated</b>	
<b>5 Is the whole or part of the debt preferential? If so, state amount and details</b>	
<b>6 Particulars and value of any security held and the date it was given</b>	
<b>7 Signature of creditor or authorised person</b>  <b>NAME IN BLOCK LETTERS</b>  <b>Creditor's reference</b>	
<b>8 Position or relationship with creditor</b>  <i>(e g. director, accountant, credit controller, etc)</i>	

Please provide appropriate documentation in support of your claim.

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994

Please return this form when you have completed it to Vaishali Pipalia at Griffins, Tavistock House South, Tavistock Square, London, WC1H 9LG

Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 Value Added Tax Act 1994. In broad terms relief is available when the debt is six months old and "written off" by the creditor entering it on his VAT refunds-for-bad-debts-account

Claims lodged in the liquidation should be gross, including any VAT element. If/when dividends are paid, creditors who have claimed VAT bad debt relief must apportion the dividend between VAT and the net element of their claim and account to HM Revenue & Customs for the VAT element through their VAT return.

Insolvency practitioners have no role in administering VAT bad debt relief under the Value Added Tax Act 1994. Creditors who are uncertain how to claim should contact their VAT office or take professional advice.

