

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1	Company details	
Company number	0 6 7 1 8 6 2 3	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	NMUL Realisations Limited	
2	Liquidator's name	
Full forename(s)	Lee	
Surname	Causer	
3	Liquidator's address	
Building name/number	Two Snowhill	
Street	Snow Hill Queensway	
Post town	Birmingham	
County/Region		
Postcode	B 4 6 G A	
Country		
4	Liquidator's name ①	
Full forename(s)	Danny	① Other liquidator Use this section to tell us about another liquidator.
Surname	Dartnaill	
5	Liquidator's address ②	
Building name/number	Thames Tower, Level 12	② Other liquidator Use this section to tell us about another liquidator.
Street	Station Road	
Post town	Reading	
County/Region		
Postcode	R G 1 1 L X	
Country		

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 2	^d 2	^m 0	^m 1	^y 2	^y 0	^y 2	^y 2
To date	^d 2	^d 1	^m 0	^m 1	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 1	^d 7	^m 0	^m 3	^y 2	^y 0	^y 2	^y 3
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**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 **Benjamin Peterson**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode

L	2		5	R	H		
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Country

DX

Telephone **+44 (0) 1512 374 500**

**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

NMUL Realisations Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 22/01/2022 To 21/01/2023 £	From 22/01/2021 To 21/01/2023 £
ASSET REALISATIONS		
APA Realisations	15,000.00	15,000.00
Book Debts	NIL	3,326.30
Cash at Bank	354.97	354.97
Donington Hall re Subrogated Claim	NIL	2,250,000.00
Motor Vehicles	NIL	170.00
Sundry Refunds	NIL	1,086.58
Surplus from Administration	NIL	3,678,054.14
	<u>15,354.97</u>	<u>5,947,991.99</u>
COST OF REALISATIONS		
Administrators' Disbursements	79,963.00	80,970.54
Administrators' Fees	NIL	133,662.91
Agents/Valuers Fees (1)	NIL	23,702.79
Bank Charges	51.60	78.60
Irrecoverable VAT	NIL	329.67
Legal Fees and Disbursements	116,636.00	616,075.42
Liquidators' Disbursements	73,342.46	73,342.46
Liquidators' Fees	734,964.55	734,964.55
PR Fees	NIL	1,625.00
Stationery & Postage	NIL	1,939.55
Statutory Advertising	NIL	184.00
	<u>(1,004,957.61)</u>	<u>(1,666,875.49)</u>
	<u>(989,602.64)</u>	<u>4,281,116.50</u>
REPRESENTED BY		
Bank 2 Current		4,082,518.55
Vat Control Account		(391,901.16)
Vat Input		593,666.16
Vat Output		(3,167.05)
		<u>4,281,116.50</u>



NMUL Realisations Limited In Creditors' Voluntary Liquidation

Joint Liquidators' progress report from
22 January 2022 to 21 January 2023

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GLOSSARY OF TERMS

Abbreviation or term	Meaning
'Act'	Insolvency Act 1986
'APA'	Asset Purchase Agreement
'Dalriada'	Dalriada Trustees Limited
'DHEL'	Donington Hall Estates Limited – Formerly in Administration
'Eversheds'	Eversheds Sutherland International LLP
'Forensics'	BDO LLP Forensics team
'HCR'	Harrison Clark Rickerbys Limited
'HMRC'	HM Revenue & Customs
'Joint Liquidators' or 'we'	Lee Causer and Danny Dartnail
'net property'	Floating charge realisations after costs and payment of preferential and secondary preferential creditors in full
'NOID'	Notice of Intended Dividend
'Period'	22 January 2022 to 21 January 2023
'preferential creditors'	Claims for unpaid wages earned in the four months prior to Liquidation up to £800, holiday pay and unpaid pension contributions in certain circumstances
'Prescribed Part'	Where a company has granted a floating charge after 15 September 2003, under Section 176A of the Act a proportion of the net property available to a QFCH is set aside for the unsecured creditors of that company
'QFCH'	Qualifying Floating Charge Holder
'Report'	Prepared in accordance with Rules 18.3 and 18.7 of the Rules
'Rules'	Insolvency (England and Wales) Rules 2016
'secured creditors'	Creditors whose debt is secured, in accordance with Section 248 of the Act
'the Bank'	Metro Bank Plc
'the Company'	NMUL Realisations Limited
'the Purchaser'	The Norton Motorcycle Co. Limited
'unsecured creditors'	Creditors who are neither secured nor preferential

KEY INFORMATION

Background

Lee Causer and Danny Dartnaill were appointed Joint Liquidators of the Company on 22 January 2021. The Company was previously in Administration.

Purpose of the Report

This is the annual Report for the period from 22 January 2022 to 21 January 2023.

The main purpose of the Report is to provide you with an update on the progress of the Liquidation during the Period.

The Report can be reviewed in conjunction with all other reports regarding this Liquidation and the preceding Administration, on the brportal.bdo.co.uk portal.

Return to creditors

The table below summarises the anticipated outcome for creditors, based on our current understanding of the case. Please note these figures may be subject to change.

Class of creditor	Current estimate	Previous estimate
Secured creditors	Paid in full during Administration	Paid in full during Administration
Preferential creditors	N/A	N/A
Unsecured creditors		
• First Unsecured Dividend ¹	15p in the £	Uncertain
• Second Unsecured Dividend ²	Uncertain	Uncertain

1. The current estimate includes dividends declared after the Period.
2. The rate of any future dividends is currently uncertain as they are dependent on any future realisations.

What creditors need to do

The purpose of the Report is to provide you with an update only and the creditors of the Company do not need to take any actions at this time.

Creditors' rights

An overview of the rights of creditors are detailed in Appendix B.

Contact details

Contact: Nicola Roberts
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: +44 (0)7721 603 471
Email: BRCMTNorthandScotland@bdo.co.uk
Reference: 00341370

PROGRESS IN THE PERIOD

Asset realisations

The receipts and payments account, attached at Appendix C, details the asset realisations during the Period.

Cash at Bank

During the Period, £355 was received from Santander UK plc in respect of amounts held in the Company's pre-Administration bank accounts.

DHEL Subrogated Claim

As previously reported, a subrogated claim in the Administration of DHEL arose when £3,135,286 was paid by the Company to the Bank under the terms of a cross-guarantee, which secured the liabilities of DHEL due to the Bank.

After the Period end, a final distribution of £455,397 was received from DHEL, meaning a total of £2,705,397 has been received from DHEL. As the Administration of DHEL has now closed, no further realisations will be received from this source.

APA Funds

As per the terms of the APA, the Purchaser agreed to bear certain costs in respect of the transfer of business and assets and during the Period. A sum of £15,000 plus VAT has been received in full and final settlement of the liability in this regard.

Claims against Director

The Joint Liquidators are currently finalising their initial claim against Stuart Garner, which will be lodged with the trustees of his bankrupt estate. It is not yet known what, if any, dividend will be paid to the creditors of that bankruptcy and, therefore, the timing and likely quantum of any recoveries for the Company are not yet known.

Investigations

As previously reported, the Joint Liquidators completed a review of the Company's affairs to establish if there are any actions to investigate for the benefit of creditors. The Joint Liquidators investigations remain ongoing with the assistance of Forensics.

For reasons of legal professional privilege, and to avoid any commercial prejudice in relation to any claims that the Liquidation may have, it would not be appropriate for me to go into greater detail in the Report in respect of ongoing or potential litigation. To the extent possible, we will provide further updates to the creditors in future reports.

If creditors wish to bring to our attention any matters that merit investigation, they should contact the Joint Liquidators c/o BDO, 5 Temple Square, Temple Street, Liverpool, L2 5RH.

Distributions to creditors

Secured creditors

As previously reported, both secured creditors were repaid in full in the preceding Administration. There are no known secured creditors in this Liquidation.

Preferential creditors

There are no known preferential creditors in this Liquidation.

Prescribed Part

As mentioned above, both secured creditors have been repaid in full, so there is no outstanding floating charge security and, therefore, the Prescribed Part will not apply in this Liquidation.

Unsecured creditors

As at the date of appointment, the Company's books and records indicated potential unsecured creditor claims, of approximately £11 million, including £4.83 million due to NMHL.

The Joint Liquidators issued a NOID in December 2022 to all creditors that had yet to submit a claim, with the last date for proving being 6 January 2023. To date, we have received claims totalling c£12.4 million, in addition to the £4.83 million claim from NMHL, giving total claims of c£17.2 million.

We would specifically comment upon the following:

Intercompany Claims

The Joint Liquidators instructed HCR to adjudicate upon the NMHL claim and HCR were provided with all available records relating to the claim. Subsequently, HCR provided confirmation that the claim should be admitted in the full amount of £4,834,126.

V4-SS Creditors

As previously reported, any affected customers that purchased a V4-SS will be entitled to claim as an unsecured creditor in the Liquidation for the purchase price of the bike, capped at £44,000, unless a valid claim has been submitted exceeding this amount.

Pension Scheme Creditors

Dalriada, the Trustee of three pension schemes that held preference shares in NMHL, submitted a claim in the Liquidation, which required input the Joint Liquidators and their solicitors in order to establish the validity and the quantum of the claim. During the Period, the Joint Liquidators formally rejected the unsecured claim against the Company.

The claim adjudication process remains ongoing in respect of any claims that have not yet been admitted, with the interim dividend to be declared before 6 March 2023.

As detailed in the return to creditors section of the Report, a first interim dividend of 15p in the £ was declared on 6 March 2023. The rate of any future dividends is dependent on future asset realisations.

Other matters

In addition to the above matters, we have dealt with all statutory matters required by legislation and administrative work incidental to our duties as Joint Liquidators in this Liquidation.

Taxation

As previously report, a significant tax liability is payable to HMRC in respect of the sale business and assets in the Administration. These computations are close to being finalised and the Joint Administrators expect to settle this liability in the forthcoming period.

Joint Administrators' expenses

Joint Administrators' expenses paid during the Period are detailed in the receipts and payments account at Appendix C. These costs relate to data collection and processing conducted by Forensics.

Joint Liquidators' remuneration

The Joint Liquidators' remuneration was approved on a time costs basis in accordance with the fees estimate circulated to creditors on 21 March 2022 by creditors on 7 April 2022.

During the Period, time costs of £259,062.85 were incurred over 691.30 hours at an average rate of £374.75 per hour. The Joint Liquidators have drawn remuneration of £734,964.55 in line with the approval given, as shown on the enclosed receipts and payments account at Appendix C.

The total amount drawn has been split between time incurred by the Joint Liquidators and time incurred by Forensics, detailed below.

Joint Liquidators: £434,965

Forensics: £300,000

A detailed report of the time incurred by the Joint Liquidators, and a narrative of the work done during the Period, is attached at Appendix D.

Joint Liquidators' expenses

Expenses paid during the Period are detailed in the receipts and payments account at Appendix C.

A breakdown of expenses incurred is set out in Appendix E.

FUTURE ACTIONS

The following matters will be undertaken before the Joint Liquidators can conclude the Liquidation:

- Complete the adjudication of unsecured creditor claims and pay first dividend.
 - Bringing the Company's tax liability up to date (both VAT and Corporation Tax).
 - Continue and conclude investigations and establish the quantum of any possible recoveries to the Estate.
-

APPENDIX A

STATUTORY INFORMATION

Information

Company name	NMUL Realisations Limited
Company registration number	06718623
Registered office	C/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Date of appointment	22 January 2021
Joint Liquidators	Lee Causer Danny Dartnail Under the provisions of section 231 of the Act the Joint Liquidators carry out their functions jointly and severally meaning any action can be done by one Liquidator or by both of them.
Joint Liquidators' address	BDO LLP, Two Snowhill, Snow Hill Queensway, Birmingham, B4 6GA
Data Control and GDPR	Lee Causer and Danny Dartnail are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales in the UK. The Joint Liquidators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Liquidation of NMUL Realisations Limited. Please see the privacy statement at https://www.bdo.co.uk/en-gb/privacy-notices/insolvencies

APPENDIX B

CREDITORS' RIGHTS

Within 21 days of receipt of the Report (1) a secured creditor, (2) an unsecured creditor with the concurrence of at least 5% in value (including the creditor in question) of the unsecured creditors; or (3) any unsecured creditor with the permission of court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which are itemised in the Report.

Within 14 days of receipt of the request, the Joint Liquidators must provide all of the information asked for, unless they think that:

- the time or cost in preparing the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the Liquidation or might reasonably be expected to lead to violence against any person, or
- the Joint Liquidators are subject to confidentiality obligations in respect of the information.

The Joint Liquidators must give reasons for not providing all of the requested information.

Any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors may, within eight weeks of receipt of the Report, make an application to court that the basis fixed for the Joint Liquidators' remuneration, the remuneration charged, or the expenses incurred by the Joint Liquidators, as set out in the Report, are excessive.

Copies of BDO LLP's charging and expenses policy, 'A Creditors' Guide to Liquidators' Fees' and information on the rights, duties and functions of a liquidation committee are available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency Practitioners. In the event that you make a complaint to us but are not satisfied with the response, then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this Liquidation. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

APPENDIX C

RECEIPTS AND PAYMENTS ACCOUNT

NMUL Realisations Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 22/01/2022 To 21/01/2023 £	From 22/01/2021 To 21/01/2023 £
ASSET REALISATIONS		
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Book Debts	NIL	3,326.30
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Motor Vehicles	NIL	170.00
Sundry Refunds	NIL	1,086.58
Surplus from Administration	NIL	3,678,054.14
	<u>15,354.97</u>	<u>5,947,991.99</u>
COST OF REALISATIONS		
Administrators' Disbursements	79,963.00	80,970.54
Administrators' Fees	NIL	133,662.91
Agents/Valuers Fees (1)	NIL	23,702.79
Bank Charges	51.60	78.60
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Liquidators' Disbursements	73,342.46	73,342.46
Liquidators' Fees	734,964.55	734,964.55
PR Fees	NIL	1,625.00
Stationery & Postage	NIL	1,939.55
Statutory Advertising	NIL	184.00
	<u>(1,004,957.61)</u>	<u>(1,666,875.49)</u>
	<u>(989,602.64)</u>	<u>4,281,116.50</u>
REPRESENTED BY		
Bank 2 Current		4,082,518.55
Vat Control Account		(391,901.16)
Vat Input		593,666.16
Vat Output		(3,167.05)
		<u>4,281,116.50</u>

APPENDIX D

JOINT LIQUIDATORS' REMUNERATION

The Joint Liquidators' remuneration has been approved on a time costs basis.

Time costs of £259,062.85 have been incurred during the Period and a breakdown is detailed below, together with details of the work undertaken.

Activity	Partner	Director	Senior manager	Manager	Senior executive	Executive	Total hours	Time costs	£	Av. Rate	£
Planning and strategy	2.15	6.30		5.95			14.40	6,387.85		443.60	
General administration	24.70	120.80	6.80	54.10	62.95	13.25	282.60	111,976.60		396.24	
Asset realisation/dealing		4.70		4.95			9.65	3,925.30		406.77	
Creditors' claims	15.15	122.90	1.15	90.70	100.65	0.60	331.15	117,690.75		355.40	
Reporting	2.15	7.10	0.40	13.20	9.40		32.25	10,309.75		319.68	
Distribution and closure	0.35	9.80	0.20	10.90			21.25	8,772.60		412.83	
TOTAL	44.50	271.60	8.55	179.80	173.00	13.85	691.30	259,062.85		374.75	

Details of the work undertaken in the Period is detailed below.

Planning and strategy

- Preparation of strategy documents
- Review of strategy
- Liaising with key stakeholders
- Engaging with specialists

General administration

- Ongoing maintenance and reconciliation of the Liquidation bank account and other cashiering functions
- Preparation and completion of internal reviews
- Engaging with specialists
- Obtaining approval for the basis of the Joint Liquidators' remuneration
- Dealing with ad hoc queries
- Press and PR Matters
- Liaising with Solicitors regarding various matters, including queries and correspondence relating to the APA and queries in respect of Motorcycle creditors.
- Preparing corporation tax returns
- Preparing and submitting VAT returns
- Liaising with key stakeholders
- Investigation work into transactions occurring prior to the appointment of the Joint Administrators

Asset realisation

- Liaising with the Purchaser in relation to the APA funds
- Liaising with the Company's former bankers regarding cash at bank

Creditor claims

- Processing of creditors' claim forms and entering onto IPS
- Liaising with creditors to request additional supporting documentation
- Adjudication of claims received
- Liaising with solicitors in respect of complex claims
- Review of information relating to complex claims

Reporting

- Preparation and distribution of the progress report to members and creditors

Distribution and closure

- Notification of the intention to declare a dividend
- Agreement of unsecured creditors' claims

The current charge out rates per hour of staff within the firm who may be involved in working on the Liquidation are as follows:

Grade	£
Partner	690 - 805
Director	386-772
Senior Manager	322-643
Manager	176-470
Senior Executive	141-328
Executive	86-173
BDO LLP tax department (max)	1208

In addition, time costs of £4,447.15 have been incurred during the Period by Forensics department and a breakdown is detailed below.

Activity	Partner	Director	Senior manager	Manager	Senior executive	Executive	Total hours	Time costs £	Av. Rate £
Forensic investigation	0.25	8.00					8.25	4,447.15	539.05

Forensic investigation

- Processing of data
- Review of data
- Conducting investigations into the data
- Internal discussions

The current maximum charge out rates per hour of staff within Forensics who may be involved in working on the Liquidation are as follows:

Grade	£
Partner	1035
Director	869
Senior Manager	724
Manager	528
Senior Executive	369
Executive	194

Cumulative time incurred to fees estimate comparison

Total time costs £498,416.40 have been incurred over the course of the Liquidation to 21 January 2023 as detailed below.

Activity	Estimated			Total Incurred		
	Hours	Average Rate £	Time costs £	Hours	Average Rate £	Time costs £
Steps on appointment	7.60	363.22	2,760.50	7.60	307.09	2,333.90
Planning and strategy	110.00	324.55	35,700.00	27.90	451.64	12,600.70
General administration	1,757.50	389.07	683,810.00	677.05	342.53	231,907.95
Asset realisation/dealing	100.00	371.50	37,150.00	63.90	415.46	26,547.90
Employee matters	24.00	284.42	6,826.00	2.55	340.04	867.10
Creditors' claims	725.00	310.03	224,775.00	558.25	364.90	203,703.15
Reporting	165.00	302.55	49,920.00	32.70	321.07	10,498.90
Distribution and closure	90.00	298.56	26,870.00	23.95	415.73	9,956.80
TOTAL	2,979.10	358.43	1,067,811.50	1,393.10	357.57	498,416.40

Forensic investigation

Activity	Hours	Average rate £	Time costs £	Hours	Average rate £	Time costs £
Forensic investigation				869.45	427.75	371,905.50

APPENDIX E

JOINT LIQUIDATORS' EXPENSES

The Joint Liquidators' expenses incurred and paid are detailed below.

	Estimated £	Incurred in Period 22/01/2022 to 21/01/2023 £	Total Incurred 22/01/2021 to 21/01/2023 £	Total Paid 22/01/2021 to 21/01/2023 £
Category 1				
*Postage	-	-	1,007.54	1,007.54
*Administrators' Forensic Disbursements	-	79,963.00	79,963.00	79,963.00
Agents/Valuers Fees (1)	-	-	23,702.79	23,702.79
1. Legal Fees and Disbursements	-	116,636.00	616,075.42	616,075.42
Irrecoverable VAT	-	-	329.67	329.67
Stationery & Postage	-	-	1,939.55	1,939.55
PR Fees	-	-	1,625.00	1,625.00
Statutory Advertising	-	-	184.00	184.00
Bank Charges	-	51.60	78.60	78.60
*Travel Expense	-	185.00	185.00	185.00
*Bonding	-	200.00	200.00	200.00
*Postage	-	304.45	304.45	304.45
*Liquidators' Forensic Disbursements	-	72,653.00	72,653.00	72,653.00

Category 2

*included within disbursements on the attached receipts and payments account.

1. Eversheds Sutherland LLP has been instructed to assist with ongoing investigations. They were selected due to knowledge and expertise.

The other expenses shown are self-explanatory.