

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



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29/03/2019

#87

COMPANIES HOUSE

→ Filling in this form

Please complete in typescript or in bold black capitals.

1 Company details

Company number 0 7 4 8 1 9 4 9

Company name in full The 3 Mughals Restaurant Ltd

2 Liquidator's name

Full forename(s) Simon Thomas

Surname Barriball

3 Liquidator's address

Building name/number 10 St Helen's Road

Street

Post town

Swansea

County/Region

Postcode

S A 1 4 A W

Country

4 Liquidator's name ①

Full forename(s) Gareth

Surname Bishop

① Other liquidator

Use this section to tell us about another liquidator.

5 Liquidator's address ②

Building name/number 10 St Helen's Road

Street

Post town

Swansea

County/Region

Postcode

S A 1 4 A W

Country

② Other liquidator

Use this section to tell us about another liquidator.

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**6** Period of progress report

From date	d	2	d	0	m	0	m	2	y	2	y	0	y	1	y	8
To date	d	1	d	9	m	0	m	2	y	2	y	0	y	1	y	9

**7** Progress report

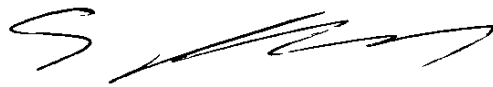
☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X



X

Signature date

d	2	d	7	m	0	m	3	y	2	y	0	y	1	y	9
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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

Company name

**McAlister & Co Insolvency  
Practitioners Limited**

Address

**10 St Helen's Road****Swansea**

Post town

**SA1 4AW**

County/Region

Postcode

Country

DX

Telephone

**03300563600****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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

**The 3 Mughals Restaurant Ltd**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 20/02/2018 To 19/02/2019 £	From 20/02/2018 To 19/02/2019 £
	<b>ASSET REALISATIONS</b>	
	Director Contribution to costs	800.00
	Bank Interest Gross	0.07
	Wrongful Trading	NIL
		<u>800.07</u>
	<b>UNSECURED CREDITORS</b>	
(500.00)	Trade & Expense Creditors	NIL
(26,000.00)	H M Revenue & Customs	NIL
(20,000.00)	Immigration Enforcement	NIL
		<u>NIL</u>
	<b>DISTRIBUTIONS</b>	
(1,000.00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<b>(47,500.00)</b>		<b><u>800.07</u></b>
	<b>REPRESENTED BY</b>	
	Bank 1 Current	800.07
		<u><b>800.07</b></u>

**The 3 Mughals Restaurant Ltd ("the Company") Creditors' Voluntary Liquidation ("CVL")**  
**Registered number: 07481949**  
**Joint Liquidators' Progress Report for the period from 20 February 2018 to 19 February 2019**

Gareth Bishop and I, of McAlister & Co Insolvency Practitioners Limited, are the Joint Liquidators of the Company and this is our first progress report concerning the liquidation of the Company.

**Key highlights of this report**

A summary of the key information contained within this report is as follows:

- Assets realised total £800.07 (excluding VAT recovered in the liquidation).
- Liquidators' remuneration was approved by creditors on a fixed fee basis of £12,000.00 at the virtual meetings which took place on 20 February 2018. No fees have been drawn to date.
- Any distribution to creditors in this matter will be dependent on any settlement figure/realisations received in relation to wrongful trading action currently being considered.

**Appendices**

The following appendices are attached which should be read in conjunction with this report:

Appendix 1	Statutory Information
Appendix 2	Receipts and Payment Account (Receipts and Payments are shown net of VAT)
Appendix 3	Summary of Joint Liquidators Activities
Appendix 4	Category 1 and 2 Disbursements

**Progress and asset realisations during the period**

At the date of the Statement of Affairs, the Company held no assets. However, a possible action for wrongful trading has been identified.

**Director Contribution**

As there were no assets listed on the statement of affairs the liquidators had the director sign a personal guarantee to cover certain costs of the liquidation. To date £800.00 has been received under this guarantee, and further contributions are being pursued. These payments will be taken into account when pursuing any action against the director/former director (see below).

**Bank Interest**

The liquidation funds are being held in an interest-bearing account. To date interest of 7p has been received.

**Investigations**

A Liquidator is required to carry out work which complies with the requirements of the Company Directors Disqualification Act 1986. Whilst this work may not necessarily bring about any financial benefit to the creditors (unless potential recoveries are identified) we must carry it out.

In accordance with Statement of Insolvency Practice 2 - Investigations by Officeholders in Administration and Insolvent Liquidations, we have conducted an initial review of the Company's records and completed the online questionnaire regarding the conduct of the Directors to the Department for Business, Energy and Industrial Strategy (DBEIS), as provided by them. The submission and the outcome thereof is confidential and cannot be disclosed to you in this report.

Our investigations have revealed potential recoveries for the benefit of the creditors as outlined below.

**Wrongful Trading**

The reason for the company's insolvency is a debt to HM Revenue & Customs in regards to the under-declaration of VAT. HM Revenue & Customs have subsequently submitted a claim for £157,499 in the liquidation.

The company also owes £20,000 to the Home Office in relation to a penalty for employing illegal workers.

Both of these matters could be considered as wrongful trading, whereby the director at the time continued to trade the company with knowledge of these matters and to the further detriment of creditors. The director at the time was disqualified and left office prior to the liquidation but would still be considered liable for the wrongful trade. His wife was put in as director for the purposes of closing the company down.

We are currently reviewing information provided by the company's accountants as to the VAT figure, which they had calculated to be a lesser amount than that estimated by HM Revenue & Customs, before approaching the former director in regards to settling this matter. Failing this further legal action will be considered.

#### **Liquidation Costs**

The basis of the Joint Liquidators remuneration was considered and approved on a fixed costs basis by creditors' on 20 February 2018.

#### **Pre-Appointment Costs**

This firm's fee in relation to assistance provided with the preparation of the director's Statement of Affairs, and placing the Company in liquidation, was fixed at £4,000 plus VAT and disbursements.

This fee remains outstanding in full.

The balance shall be drawn as and when realisations allow

#### **Statement re 3<sup>rd</sup> Parties**

I can confirm that no payment was made to another party for their assistance in preparing the Statement of Affairs, or in regard to the liquidation generally.

#### **Liquidators' Remuneration**

Numerous activities have been undertaken by ourselves and our staff in dealing with the liquidation. A number of tasks are generic to every liquidation and a summarised list of these activities is attached in the Appendices for your information.

As detailed above, there were a number of issues specific to this case and we have spent additional time dealing with the following:

- Investigations into wrongful trading
- Correspondence with accountants and review of VAT debt

Details of our remuneration are set out below. You may also find it useful to read "A guide to Liquidators' fees" which can be downloaded from The R3 website at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice/e-and-w/sip-9-list>. Kindly ensure that you download the correct version for the date of appointment.

Alternatively, please contact our office and we will arrange for a hard copy to be sent to you if you would prefer.

#### **Future Actions**

It is anticipated that further time will be spent in the course of the liquidation in relation to the following:

- Continuing to maintain records for the company and reporting to creditors
- Filing of tax returns and reports to Companies House etc
- Further investigations into wrongful trading and correspondence with former director
- Assessing claims and possible distribution to creditors
- Closing the case

#### **Disbursements**

A detailed explanation of category 1 and category 2 disbursements, together with the approved rates for category 2 disbursements, is set out in the Appendices.

Category 1 disbursements are those that are directly attributable to a third-party invoice.

Category 2 disbursements are those that are based upon an estimate or an internally set rate in accordance with the schedule previously provided. The category disbursements incurred and paid are set out in the Appendices.

#### **Professional Advisors**

It has not been necessary to use professional advisors in this matter.

## **Creditors**

### **Secured creditors**

There are no charges against the company registered at Companies House.

### **Preferential creditors**

There were no preferential claims from former employees of the Company anticipated or received.

### **Prescribed part for the unsecured creditors s176A Insolvency Act 1986**

Section 176A of the 1986 Insolvency Act provides that where the Company has created a floating charge on or after 15 September 2003 the Liquidator must calculate and make a 'prescribed part' of the Company's net property available for the unsecured creditors ahead of any distribution to the floating charge holder.

To the best of our knowledge and belief there are no unsatisfied floating charges created on or after 15 September 2003; so the provisions of s176A do not apply.

### **Unsecured creditors**

The Statement of Affairs estimated unsecured creditor claims of £46,500.00. To date claims totalling £177,999.00 have been received. The company was in negotiations with HM Revenue and Customs regarding an assessment of VAT not disclosed by the company. The Director disputed the figure of £104,999.00 estimated by HM Revenue and Customs and for the purposes of the Statement of Affairs utilised the estimate provided by the Accountants of £26,000.00. HM Revenue and Customs have since submitted a claim for £157,499.00.

To date there have been insufficient funds to make a payment to unsecured creditors in this matter.

### **Unproved creditors**

Creditors that have not yet claimed are encouraged to do so.

### **Small claim scheme**

From April 2016, I have had the discretion to admit claims from creditors under £1,000 without receiving a proof of debt.

I can confirm that no claims have been admitted under the small claims provisions.

### **Distribution prospects**

Any distribution to creditors in this matter will be dependent on any settlement figure/realisations received in relation to wrongful trading action currently being considered.

### **Creditors' further information**

If you require any further information with regard to any aspect of this report or our fees and expenses, please do not hesitate to contact this office and we shall do our best to assist you.

Any request must be made in writing within 21 days of receipt of the report (or 7 business days where the report has been prepared for the purposes of a meeting to receive my resignation).

I must provide this information within 14 days of the request, unless it is considered that:

- the time and cost involved in preparing the information would be excessive;
- disclosure would be prejudicial to the conduct of the liquidation or might be expected to lead to violence against any person; or
- I am subject to an obligation of confidentiality in relation to the information requested, in which case I must give the reasons for not providing the information.

If you are not satisfied with my response, you have the right to request further information by either:

- an application granting permission by the court; or
- by any secured creditor, or by any unsecured creditor provided at least 10% in value of unsecured creditors agree, (or they have the permission of the court).

Any such application to court must be made within 8 weeks of the applicant receiving the progress report in which the charging of the remuneration or incurring of the expenses in question is first reported.

If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give me a copy of the application and supporting evidence at least 14 days before the hearing.

**Conclusion**

The case is not yet in a position to be closed for the reasons detailed.

Should you require any further information regarding the liquidation, please contact this office and we will be happy to assist as appropriate.

A handwritten signature in black ink, appearing to read 'S Barriball', written in a cursive style.

**Simon Barriball, Joint Liquidator**

**28 March 2019**



**The 3 Mughals Restaurant Ltd - Statutory Information****Company Details**

Company Name:	The 3 Mughals Restaurant Ltd
Company Number:	07481949
Date of Incorporation:	4 January 2011
Principal Trading Activity:	Restaurant
Trading Address:	7 Western Valley Road, Rogerstone, Newport, NP10 9DS
Current Registered Office:	10 St Helens Road, Swansea, SA1 4AW
Former Registered Office:	7 Western Valley Road, Rogerstone, Newport, NP10 9DS

**Appointment Details**

Joint Liquidators:	Simon Thomas Barriball and Gareth Bishop
Address:	McAlister & Co Insolvency Practitioners Limited Insolvency Practitioners Ltd, 10 St Helen's Road, Swansea, SA1 4AW
Telephone No:	03300 563 600
Date of Appointment:	20 February 2018
Appointment made by:	Members & Creditors
Actions of Joint Liquidators:	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone

Appendix 2.

**The 3 Mughals Restaurant Ltd  
(In Liquidation)**

**JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT**

	<b>Statement of affairs £</b>	<b>From 20/02/2018 To 19/02/2019 £</b>	<b>From 20/02/2018 To 19/02/2019 £</b>
<b>RECEIPTS</b>			
Director Contribution to costs		800.00	800.00
Bank Interest Gross		0.07	0.07
		<u>800.07</u>	<u>800.07</u>
<b>PAYMENTS</b>			
Trade & Expense Creditors	(500.00)	0.00	0.00
H M Revenue & Customs	(26,000.00)	0.00	0.00
Immigration Enforcement	(20,000.00)	0.00	0.00
Ordinary Shareholders	(1,000.00)	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
Net Receipts/(Payments)		<u>800.07</u>	<u>800.07</u>
<b>MADE UP AS FOLLOWS</b>			
Bank 1 Current		800.07	800.07
		<u>800.07</u>	<u>800.07</u>

Simon Thomas Barriball  
Joint Liquidator

**Summary of Joint Liquidators' Activities**

There are a number of activities that are generic to every Creditors' Voluntary Liquidation and a summarised list of these activities is detailed below.

Staff of different levels were involved in these activities dependent upon the level of experience required in order to keep costs to an appropriate level.

**Administration**

- Filing the relevant notices upon appointment
- Circulating notices to creditors, members, employees and other stakeholders advising of the appointment
- Regular case reviews
- Reviewing the circumstances of the case to determine the appropriate strategy

**Realisation of assets**

- Investigations into wrongful trading
- Collection of records from accountant
- Corresponding with accountant in regards to HMRC claim
- Dealing with outstanding pre appointment HMRC returns

**Creditors**

- Maintaining a list of creditor claims
- Dealing with Retention of Title claims
- Advertising for claims
- Agreement of claims

**Cashiering**

- Opening an appropriate bank account
- Obtaining a specific bond
- Monthly bank statement reconciliations
- Dealing with receipts into the account
- Dealing with payments out of the account
- Post appointment Corporation Tax returns
- Post appointment VAT returns

**Future costs**

- Continuing to maintain records for the company and reporting to creditors
- Further investigations into wrongful trading
- Assessing claims and possible distribution to creditors
- Filing of tax returns and reports to Companies House etc
- Closing the case

**Category 1 and 2 Disbursements**

Disbursements are categorised as either Category 1 or Category 2.

**Category 1**

Category 1 disbursements are clearly identifiable third-party costs that are directly attributable to the case. Occasionally these disbursements are paid by McAlister & Co Insolvency Practitioners Limited and then recharged to the case, usually when there are insufficient funds within the case to pay the disbursement at the time it falls due. Specific approval from creditors is not required for Category 1 disbursements.

Typical examples of Category 1 disbursements are:

- Postage
- Advertising
- Insurance
- Travel costs
- External room hire
- Document storage

The current levels of Category 1 disbursements incurred and recovered by McAlister & Co Insolvency Practitioners Limited are as follows:

	Cost Incurred	Cost Recovered
	£	£
Postage	1.52	-
Searches	10.00	-
Statutory Advertising	312.00	-
Bonding	276.00	-
Total	599.52	-

**Category 2**

Category 2 disbursements are estimated or shared costs which may include some internal recharges from McAlister & Co Insolvency Practitioners Limited. It is likely that it is not possible, or too costly, to calculate the exact cost and an estimate is therefore used. These disbursements can be paid from the case if the basis of the charge has been approved by creditors.

Typical examples of Category 2 disbursements are:

- Photocopying
- Internal room hire
- Stationery

The current levels of Category 2 disbursements incurred and recovered by McAlister & Co Insolvency Practitioners Limited are as follows:

	Cost Incurred	Cost Recovered
	£	£
Photocopying	3.60	-
Total	3.60	-