

WU07

Notice of progress report in a winding-up by the court



Companies House

SATURDAY



A19 *A7B5QPXC* #249
28/07/2018
COMPANIES HOUSE

1 Company details

Company number 0 8 2 1 5 7 1 8

Company name in full Midlands Cash And Carry Ltd

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Keith

Surname Algie

3 Liquidator's address

Building name/number 3 Hardman Street

Street

Post town Manchester

County/Region

Postcode M 3 3 H F

Country

4 Liquidator's name ●

Full forename(s) Lindsey

Surname Cooper

● Other liquidator
Use this section to tell us about
another liquidator

5 Liquidator's address ●

Building name/number 3 Hardman Street

Street

Post town Manchester

County/Region



Postcode M 3 3 H F

Country

● Other liquidator
Use this section to tell us about
another liquidator.

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6	Period of progress report															
From date	d	0	d	4	m	0	m	6	y	2	y	0	y	1	y	7
To date	d	0	d	3	m	0	m	6	y	2	y	0	y	1	y	8
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	Signature															
																
Signature date	d	3	d	0	m	0	m	7	y	2	y	0	y	1	y	8

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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	Keith Algie
Company name	RSM Restructuring Advisory LLP
Address	3 Hardman Street
Post town	Manchester
County/Region	
Postcode	M 3 3 H F
Country	
DX	
Telephone	0161 830 4000



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

In the matter of

**Midlands Cash & Carry Ltd in Liquidation
(‘the Company’)**

in the High Court of Justice no 2133 of 2014

Joint Liquidators’ progress report

4 June 2017 to 3 June 2018

**Keith Algie and Lindsey Cooper
Joint Liquidators**

**RSM Restructuring Advisory LLP
3 Hardman Street
Manchester M3 3HF
Tel: 0161 830 4000
Email: restructuring.manchester@rsmuk.com**

Sections

1. Conduct of the winding-up in the previous twelve months
2. Details of what remains to be done and matters preventing closure
3. Creditors' claims and dividend prospects
4. Receipts and payments summary
5. Joint Liquidators' remuneration, expenses and disbursements
6. Creditors' right to information and ability to challenge remuneration and expenses

Appendices

- A. Statutory information
- B. Dividend prospects
- C. Summary of receipts and payments
- D. RSM Restructuring Advisory LLP charging, expenses and disbursements policy statement
- E. Joint Liquidators' current charge out and disbursement rates
- F. Statement of expenses incurred by the Joint Liquidators' in the period from 4 June 2017 to 3 June 2018
- G. Joint Liquidators' time cost analysis for the period from 4 June 2017 to 3 June 2018

This report has been prepared in accordance with insolvency legislation to provide creditors and members of the Company with information relating to the progress of the liquidation in the period from 04/06/2017 to 03/06/2018. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the requirements of the relevant legislation. It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

Neither the Liquidators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

1 Conduct of the winding-up in the previous twelve months

1.1 Realisation of assets

There are no further assets to be realised, however in line with legal advice, the Joint Liquidators are seeking settlement of various rights of action against third parties, by whom monies had been received from the company, which are voidable under Section 238 or and Section 423 Insolvency Act 1986 as dishonest assistance or unjust enrichment.

Should no settlement be forthcoming, the Joint Liquidators will take further legal advice in respect of commencing actions to pursue these claims in court.

1.2 Potential claim for compensation for mis-selling of interest rate hedging product 'IRHP'

The Joint Liquidators have now completed their investigations and found there was no evidence of mis-selling of any IRHP and therefore are minded that no further actions are required in respect of seeking redress due to the Company.

1.3 Investigations

We can advise you that, following our initial assessment, further investigations were undertaken in relation to potential payments made from the company and these are on-going.

1.4 Case specific matters

In line with legal advice the Joint Liquidators are continuing to investigate various payments made by the company to third parties. To date no evidence to support that these transactions were solely and exclusively for business purposes has been provided by the parties under Section 236 Insolvency Act 1986 detailed enquiries.

In the absence of any such evidence the Joint Liquidators therefore consider these transactions as a breach of either Section 238 Insolvency Act 1986, as a Transaction at an Undervalue or of Section 423 Insolvency Act 1986 as a Transaction Defrauding Creditors.

The Joint Liquidators reserve their rights to make the relevant applications to court under Section 237 Insolvency Act 1986, for the return of such monies paid away as company property.

1.5 Administration and planning

Certain aspects of the work that the Joint Liquidators undertake are derived from the underlying legal and regulatory framework for cases of this nature. This work, which does not usually result in any direct financial benefit to creditors, is a necessary aspect of ensuring that the Joint Liquidators are complying with both of their legislative and best practice responsibilities and ensuring that the case is managed efficiently and effectively. It includes matters such as:

- Periodic case reviews, ongoing case planning and strategy
- Maintaining and updating computerised case management records
- Dealing with routine correspondence not attributable to other categories of work
- Ongoing consideration of ethical and anti-money laundering regulations
- General taxation matters, including filing of VAT and Corporation Tax Returns at HMRC
- Preparation of receipts and payments accounts, maintenance of cashing records
- Preparing, reviewing and issuing final report to creditors and other parties
- Filing of final documentation at Companies House, Court and other relevant parties
- General administrative matters in relation to closing the case

2 Details of what remains to be done and matters preventing closure

2.1 Assets remaining to be realised

There are no assets remaining to be realised. However, investigations continue in respect of rights of action which may give rise to claims against various parties, as detailed earlier in this report.

2.2 Other outstanding matters

There are outstanding enquiries in respect of potential rights of action in respect of various third parties who were in receipt of company monies and which may represent Transaction at an Undervalue or otherwise Transactions defrauding creditors being breaches of Section 238 or Section 423 of the Insolvency Act 1986.

In line with legal advice the Joint Liquidators are currently progressing investigation of these potential rights of action with the relevant parties with a view to agreeing settlement. Should no settlement be reached the Joint Liquidators will take further advice in respect of pursuing actions in respect of the resultant claims, either by way of court application or by mediation or alternative dispute resolution.

3 Creditors' claims and dividend prospects

Creditors' claims as set out in the Statement of Affairs totalled £36,596,944.

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix B, including any amount under the prescribed part. Please note that these are indicative only and should not be used as the sole or principal basis for any bad debt provision or other purposes. They may be subject to revision and additional costs.

The Joint Liquidators are obliged to deal with a number of matters in relation to creditors to comply with both the legislative and best practice requirements and to ensure creditors are kept informed. Creditors will only derive an indirect financial benefit from this work on cases where a dividend may be paid. Such work includes:

- Preparation and issue of progress reports and associated documentation
- Maintenance of schedules of preferential and unsecured creditors' claims
- Dealing with correspondence and telephone calls

In accordance with the relevant legislation no dividend has been distributed as insufficient funds have been realised after costs have been defrayed.

3.1 Prescribed part

The 'Prescribed Part' is a statutory amount, calculated as a percentage of net floating charge realisations, which entitles unsecured creditors to a share of realisations. This is calculated on a sliding scale up to maximum of £600,000 before costs.

There are no creditors secured by charges over the assets and undertakings of the Company created on or after 15 September 2003. There is therefore no requirement to estimate the amount of the Prescribed Part of the assets under Section 176A of the Insolvency Act 1986 (as amended).

4 Receipts and payments summary

We attach as Appendix C a summary of our receipts and payments for the period from 4 June 2017 to 3 June 2018.

4.1 VAT basis

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

5 Joint Liquidators' remuneration, expenses and disbursements

5.1 Authority for remuneration, expenses and disbursements

The basis of the Joint Liquidators' remuneration was approved by creditors on 7 July 2014, when the following resolution was passed:

The Joint Liquidators shall be authorised to draw their remuneration based upon their time costs by reference to the time properly given by the Joint Liquidators and their staff, in attending to matters arising in the Liquidation at RSM Restructuring Advisory LLP standard hourly rates, at the rates prevailing at the time the work is done.

Approval was also given to the drawing of disbursements, including category 2 disbursements.

5.2 Remuneration and expenses incurred in the period from 04 June 2017 to 03 June 2018 and since appointment

In accordance with insolvency legislation the Joint Liquidators are required to report 'remuneration charged'. This reflects the time charged to the case.

The Joint Liquidators have incurred time costs of £7,767.50 in respect of work done in the current period, a summary of which is attached.

Since the date of appointment, the Joint Liquidators have incurred time costs of £79,778.30. Of this, a total of £49,150 (plus VAT) has been paid and £30,628.30 remains outstanding and has been provided for.

5.3 Expenses and disbursements

Attached are the Joint Liquidators' charging, expenses and disbursement policy statement, together with current rates. Details of the expenses (including category 1 and category 2 disbursements) that the Joint Liquidators have incurred in the period of the report are also attached. Expenses paid in the period, along with cumulative figures, are shown in the attached receipts and payments account.

5.3.1 Other professional costs

Ward Hadaway Solicitors LLP, have been retained as legal advisors in view of their general experience and expertise in these matters. They have advised me on the potential rights of action resultant of transactions entered into by the company with third parties and are now assisting in the pursuit of settlement of claims arising from these rights of action or issuance in the alternative. I have agreed their remuneration on the basis of their standard hourly charge-out rates, plus VAT and disbursements, and their agreed fees of £36,754.62 plus VAT have been paid to date.

6 Creditors' right to information and ability to challenge remuneration and expenses

In accordance with the provisions of rule 18.9 Insolvency (England and Wales) Rules 2016 creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses under rule 18.34.

If you wish to make a request for further information then it must be made within 21 days of receipt of this report in writing by either by (i) any secured creditor or (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors.

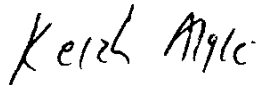
Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court on the grounds that the remuneration charged, the basis fixed or expenses incurred by the Liquidator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Creditors' Guide to Liquidators' Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at <http://rsm.insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

Should you have any queries please do not hesitate to contact me.

Yours faithfully



Keith Algie
RSM Restructuring Advisory LLP
Joint Liquidator

Keith Algie is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
Lindsey Cooper is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

Appendix A

Statutory information

Company information	
Company name:	Midlands Cash & Carry Ltd
Company number:	08215718
Date of incorporation:	14 September 2012
Previous company names:	n/a
Trading name:	n/a
Trading address:	Unit 22 Severnside Trading Estate, Trafford Park, Manchester, M17 1WA
Principal activity:	Non-specified. Wholesale of food, alcoholic beverages and tobacco
Registered office:	RSM Restructuring Advisory LLP 3 Hardman Street Manchester M3 3HF
Previous registered office:	Unit 22 Severnside Trading Estate, Trafford Park, Manchester, M17 1WA

Liquidation information		
Joint Liquidators:	Keith Algie and Lindsey Cooper	
Date of appointment:	4 June 2014	
Court & reference:	In the High Court of Justice No. 2133 of 2014	
Appointment Method:	by secretary of state	
Functions:	<p>The Joint Liquidators' appointment specified that they would have power to act jointly and severally.</p> <p>The Joint Liquidators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment.</p>	
Correspondence address & contact details of case manager	<p>David Pritchard</p> <p>RSM Restructuring Advisory LLP, 3 Hardman Street, Manchester M3 3HF</p> <p>Email: restructuring.manchester@rsmuk.com</p>	
Name, address & contact details of Joint Liquidators	<p>Primary Office Holder</p> <p>Keith Algie</p> <p>RSM Restructuring Advisory LLP</p> <p>3 Hardman Street</p> <p>Manchester M3 3HF</p> <p>0161 830 4000</p> <p>IP Number: 14090</p>	<p>Joint Office Holder:</p> <p>Lindsey Cooper</p> <p>RSM Restructuring Advisory LLP</p> <p>3 Hardman Street</p> <p>Manchester M3 3HF</p> <p>0161 830 4000</p> <p>IP Number: 008931</p>

Appendix B

Dividends Prospects

	Owed*	Paid to Date	Estimated future Prospects
Secured creditor	nil	nil	n/a
Preferential creditors	nil	nil	n/a
Unsecured creditors	£36,596,944	NIL	not known

* Per Claims received

Any estimated outcome for creditors is illustrative and may be subject to change.

Appendix C

Receipts and Payments Abstract: 1062485 - Midlands Cash And Carry Ltd In Liquidation

Bank, Cash and Cash Investment Accounts: From: 04/06/2017 To: 03/06/2018

04/06/2017 to 03/06/2018

Total to 03/06/2018

SOA Value £		£	£	£	£
	ASSET REALISATIONS				
0.00	Antecedent Recoveries	0.00		87,500.00	
0.00	Bank Interest Gross	4.08		6.27	
0.00	Business Rate Refund from Trafford	0.00		518.97	
0.00	Contingent Assets	0.00		12,740.77	
0.00	Deposit on Inland Revenue Petition	0.00		1,165.00	
0.00	Other Current Assets	0.00		412.23	
			4.08		102,343.24
	COST OF REALISATIONS				
0.00	Appointee Fees	(11,850.00)		(49,150.00)	
0.00	Corporation Tax deducted at source	(0.82)		(1.26)	
0.00	Courier Fee	(49.46)		(49.46)	
0.00	ISA Cheque Fees	(0.45)		(2.00)	
0.00	ISA Quarterly Charges	(88.00)		(352.00)	
0.00	Legal Fees	0.00		(36,458.34)	
0.00	Library Services	(86.00)		(86.00)	
0.00	Official Receivers Debit Balance	0.00		(2,400.00)	
0.00	Secretary of State Fees	(2,483.24)		(13,066.81)	
0.00	Specific Bond	(85.00)		(85.00)	
0.00	Statutory Advertising	(75.82)		(75.82)	
			(14,718.79)		(101,726.69)
0.00			<u>(14,714.71)</u>		<u>616.55</u>
	REPRESENTED BY				
	ISA IB			(12.70)	
	VAT Receivable (Payable)			629.25	
					616.55
					<u>616.55</u>

Appendix D

RSM Restructuring Advisory LLP charging, expenses and disbursements policy statement

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
- The current charge rates for RSM Restructuring Advisory LLP Manchester are attached.
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A resolution to consider approving category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Manchester will be proposed to the relevant approving party in accordance with the legislative requirements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.

Appendix E

Joint Liquidators' current charge out and disbursement rates

Hourly charge out rates		
	Rates at commencement	Current rates
	£	£
Partner	395	500
Directors / Associate Directors	350	330-450
Manager	n/a	230-315
Assistant Managers	190	225-230
Administrators	130	120-225
Support staff	130	195

Category 2 disbursement rates	
Internal room hire	£165
Subsistence	£25 per night (from 3 rd September 2013)
Travel (car)	42.5p per mile (from 1 April 2011)
'Tracker' searches	£10 per case

Appendix F

Statement of expenses incurred in the period from 04/06/2017 to 03/06/2018

	Original estimate	£		Paid to date	Unpaid
		04/06/2016 to 03/06/2017	04/06/2017 to 03/06/2018		
EXPENSES (EXCLUDING CATEGORY 2 DISBURSEMENTS)					
Appointee disbursements:					
Bond			85	85	
Statutory advertising			75.82	75.82	
Website fee					
Courier fee			49.46	49.46	
Library Services fees			86.00	86.00	
Legal fees		36,458.34	14,664.00	36,458.34	14,664.00
Debt collection fees					
Sub Total		36,458.34	14,960.28	36,754.62	14,664.00
CATEGORY 2 DISBURSEMENTS					
RSM Restructuring Advisory LLP - Appointee disbursements:					
RSM Restructuring Advisory LLP - Mileage					
RSM Restructuring Advisory LLP - Tracker search					
Sub Total					
Total		36,458.34	14,960.28	36,754.62	14,664.00

NOTE: This appendix may include estimated amounts where actual invoices have not been received. The amounts paid in the period are shown in the attached receipts and payments account. Invoices may have been paid in a period after that in which they were incurred

Midlands Cash and Carry Limited

For the period 04/06/2017 to 03/06/2018

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
Administration and Planning										
Background Information		0.0	1.0	0.0	0.0	0.0	0.0	1.0	£ 450.00	450.00
Case Management		0.0	5.5	1.2	0.4	0.4	0.0	7.5	£ 2,906.50	387.53
Director(s)/debtor/bankrupt		0.0	0.0	0.3	0.0	0.0	0.0	0.3	£ 69.00	230.00
Receipts and Payments		0.0	0.5	0.0	0.0	3.1	1.8	5.4	£ 1,063.00	196.85
Tax Matters		0.0	0.4	0.4	1.1	0.6	0.0	2.5	£ 582.00	232.80
Total		0.0	7.4	1.9	1.5	4.1	1.8	16.7	£ 5,070.50	303.62
Investigations										
Investigations/CDDA		0.0	2.0	0.0	0.0	0.0	0.0	2.0	£ 780.00	390.00
Total		0.0	2.0	0.0	0.0	0.0	0.0	2.0	£ 780.00	390.00
Realisation of Assets										
Assets - general/other		0.0	0.0	0.3	0.0	0.0	0.0	0.3	£ 69.00	230.00
Total		0.0	0.0	0.3	0.0	0.0	0.0	0.3	£ 69.00	230.00
Creditors										
Other Creditor Meetings and Reports		0.0	0.0	4.0	0.0	0.0	0.0	4.0	£ 920.00	230.00
Total		0.0	0.0	4.0	0.0	0.0	0.0	4.0	£ 920.00	230.00
Case Specific Matters - Legal Matters										
Legal Matters		0.0	1.5	0.8	0.3	0.0	0.0	2.6	£ 928.00	356.92
Total		0.0	1.5	0.8	0.3	0.0	0.0	2.6	£ 928.00	356.92
Total Hours (From Jan 2003)		0.0	10.9	7.0	1.8	4.1	1.8	25.6	£ 7,767.50	303.42
Total Time Cost (From Jan 2003)		£ 0.00	£ 4,785.00	£ 1,610.00	£ 411.00	£ 619.50	£ 342.00	£ 7,767.50		
Total Hours		0.0	10.9	7.0	1.8	4.1	1.8	25.6	£ 7,767.50	303.42
Total Time Cost		£ 0.00	£ 4,785.00	£ 1,610.00	£ 411.00	£ 619.50	£ 342.00	£ 7,767.50		
Average Rates		0.00	438.99	230.00	228.33	151.10	190.00	303.42		