

# WU07

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



Companies House

SATURDAY



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07/12/2019

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COMPANIES HOUSE

### 1 Company details

Company number 0 5 2 4 9 9 4 6  
Company name in full Strategic Natural Resources plc

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

### 2 Liquidator's name

Full forename(s) Christopher Benjamin  
Surname Barrett

### 3 Liquidator's address

Building name/number 7400 Daresbury Park  
Street Daresbury  
Post town Cheshire  
County/Region  
Postcode W A 4 4 B S  
Country

### 4 Liquidator's name ①

Full forename(s) John Allan  
Surname Carpenter

① Other liquidator  
Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 7400 Daresbury Park  
Street Daresbury  
Post town Cheshire  
County/Region  
Postcode W A 4 4 B S  
Country

② Other liquidator  
Use this section to tell us about  
another liquidator.

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**6** Period of progress report

From date	<sup>d</sup> 0	<sup>d</sup> 8	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8
To date	<sup>d</sup> 0	<sup>d</sup> 7	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X  X

Signature date

<sup>d</sup> 0	<sup>d</sup> 2	<sup>m</sup> 1	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
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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	Eileen Law-Pan
Company name	Dow Schofield Watts Business Recovery LLP
Address	7400 Daresbury Park Daresbury
Post town	Cheshire
County/Region	
Postcode	W A 4 4 B S
Country	
DX	
Telephone	0844 7762740



**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)**

**Strategic Natural Resources Plc (“the Company”)  
– In Compulsory Liquidation  
Company number: 05249946**

**In the High Court Leeds District Registry, No. 266 of 2015**

**Joint Liquidators’ Fourth Progress Report**

**In accordance with Rule 18.3 and Rule 18.8  
of the Insolvency (England and Wales) Rules 2016**

**Reporting period: 8 October 2018 to 7 October 2019**

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## **Strategic Natural Resources Plc ("the Company") – in Compulsory Liquidation**

### **1 Introduction**

A winding up order was made against the Company on 8 September 2015 and Christopher Benjamin Barrett and John Allan Carpenter were appointed Joint Liquidators of the Company by the Secretary of State on 8 October 2015.

This is the Joint Liquidators' fourth progress report to the members and creditors of the Company, showing how the liquidation has been conducted. The report covers the period from 8 October 2018 to 7 October 2019.

### **2 Liquidators' Actions since Appointment**

Following our appointment we dealt with the initial statutory requirements, including statutory advertising and notifications to the Registrar of Companies, members and creditors of the Company, and took steps to realise the Company's assets.

#### **2.1 Receipts and Payments Account**

A summary of the Joint Liquidators' receipts and payments account is attached at **Appendix B** which shows all asset realisations and payments in respect of the costs of liquidation for the period from 8 October 2018 to 7 October 2019 as well as cumulatively from the commencement of the liquidation.

The liquidation estate funds are held in an interest-bearing account in the name of the Company and controlled by the Joint Liquidators.

#### **2.2 Asset Realisations**

At the date of my previous report, asset realisations remained ongoing in respect of a debt owed to the Company by Elitheni Coal (Pty) Ltd. In addition, we were investigating one issue regarding a potential balance due to the Company.

### **Shares & Investments**

As previously reported, the only asset of the Company detailed in the Official Receiver's hand over was its 100% shareholding in Acharnian Mining Ltd ("AML") which is BVI registered and is currently in receivership with Quantuma LLP acting as receivers. AML owns a 74% shareholding in a South African mining company, Elitheni Coal (Pty) Ltd ("Elitheni") which is currently in business rescue with Anthony Norman Flynn and Johannes Frederick Kloppe of BDO Business Restructuring (Pty) Ltd appointed as Business Rescue Practitioners.

Land Consultants Limited ("LCL") holds an all assets debenture over AML. As a result of this security interest and the insolvent positions of both AML and Elitheni no realisations are expected from the Company's investment in AML.

### **Book Debts**

Information supplied by one of the directors indicated that the Company was owed a debt of £424,000 by Elitheni. We obtained evidence to support this debt and, during the first reporting period, we submitted a claim in the business rescue of Elitheni.

The business rescue procedure involves the possible sale of mining assets in South Africa. Pending the outcome of the business rescue process it is uncertain whether there will be any realisations in respect of this debt.

During the current period we have received regular updates from the business rescue practitioners, however the matter remains ongoing and the publication of the business rescue plan has been delayed until 28 February 2020. At present it remains uncertain whether there will be any realisations in respect of this debt.

#### **Bank interest**

No bank interest has been received during the period. The total bank interest earned since the commencement of the liquidation is £79 however tax of £16 has been deducted at source.

#### **Assets that remain to be realised**

The only known asset that remains to be realised is the debt due from Elitheni.

### **2.3 Costs of the Liquidation**

The Joint Liquidators have paid costs of the liquidation totalling £123 since the date of the previous progress report, bringing total costs paid to date to £21,078, as detailed in the receipts and payments account at **Appendix B**. These are discussed in more detail in section 3 below.

### **2.4 Investigations**

The Joint Liquidators are required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. Appropriate investigations have been carried out and there is one line of enquiry that remains ongoing.

## **3 Joint Liquidators' remuneration, disbursements and expenses**

### **Approval of remuneration and disbursements**

Creditors approved by a decision by correspondence on 6 January 2017 that the Joint Liquidators would be remunerated by reference to the time properly spent in dealing with matters in the liquidation and that they would be permitted to charge Category 2 disbursements at the rates set out in **Appendix C**. The fees estimate was £29,835 and the expenses estimate was £2,150.

### **Remuneration, disbursements and expenses charged and paid in the liquidation**

The Joint Liquidators' time costs and disbursements have been charged and paid during the period of liquidation as follows:

<b>Remuneration</b>	Incurring (£)	Paid (£)
From appointment on 8 October 2015 to 7 October 2018	25,522.00	0.00
From 8 October 2018 to 7 October 2019	3,086.00	0.00
	<u>28,608.00</u>	<u>0.00</u>
<b>Disbursements</b>	Incurring (£)	Paid (£)
Category 1 disbursements from 8 October 2015 to 7 October 2018	1,451.77	0.00
Category 1 disbursements from 8 October 2018 to 7 October 2019	220.31	0.00
Category 2 disbursements from 8 October 2015 to 7 October 2018	98.55	0.00
Category 2 disbursements from 8 October 2018 to 7 October 2019	0.00	0.00

The above costs exclude VAT. I have attached at **Appendix C** a breakdown of the above time costs and further details of the above disbursements.

At the date of this report the remuneration anticipated to be charged by the Liquidators is likely to exceed the fees estimate. The reasons for the additional time costs being incurred are that the fees estimate was based on the assumption that the liquidation would be concluded within two years of the date of appointment. However, the liquidation remains open due to the protracted asset realisation and additional investigations.

In the event that further asset realisations are achieved the Joint Liquidators will seek the approval of creditors under Rule 18.30 of the Insolvency (England and Wales) Rules 2016 to draw additional fees in excess of the revised Fees Estimate.

#### **Professional advisers and other expenses**

No other professional advisors have been instructed in this matter.

In the period £35 has been paid in respect of courier charges and £88 paid in bank charges.

The expenses incurred or anticipated to be incurred have exceeded the expenses estimate. The reason for the additional expenses being incurred are that the costs associated with the petition were not incurred by the liquidators and therefore were not included in the expenses estimate.

#### **Creditors' guide to fees and creditors' rights regarding fees**

Further information relating to liquidators' fees can be found in "A creditors' guide to liquidators' fees" which can be accessed at the website of the Insolvency Practitioners' Association ([www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk) > Regulation and Guidance > Creditors Guides to Fees), or the Institute of Chartered Accountants in England & Wales ([www.icaew.com](http://www.icaew.com) > Technical Resources > Insolvency > Creditors' Guides). The guide includes details of creditors' right to request information under Rule 18.9 of the Insolvency (England and Wales) Rules 2016 and their right to challenge liquidators' remuneration and expenses under Rule 18.34. A summary of these rights is also set out in **Appendix C**. A copy of the guide will be provided free of charge upon request to Dow Schofield Watts Business Recovery LLP.

### **4 Outcome for creditors**

#### **Creditors**

##### **Secured Creditors and Prescribed Part**

The Royal Bank of Scotland Plc ("RBS") holds fixed and floating charges created on 20 November 2012, however there was no liability owing to RBS at the date of liquidation.

In cases where a company gave a floating charge over its assets to a creditor on or after 15 September 2003, the prescribed part provisions set aside a proportion (the "prescribed part") of the funds that would otherwise have been available for distribution to floating charge creditors (the "net property") so that the prescribed part can be distributed to unsecured creditors.

As there is no liability owing to RBS and it will not be relying on its floating charge, the prescribed part provisions will not apply.

#### **Preferential creditors**

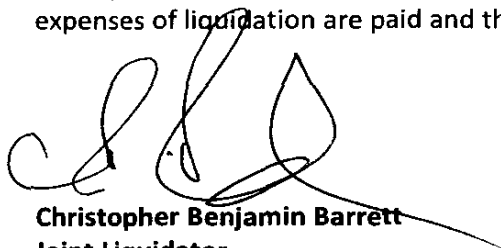
There are no known preferential creditor claims in this matter.

### **Unsecured creditors**

The prospect of any distribution to unsecured creditors remains uncertain and is dependent upon future asset realisations. Further details will be provided in my next report to creditors.

### **5 Conclusion of the Liquidation**

The liquidation will remain open whilst asset realisations are finalised, the investigations are concluded, the expenses of liquidation are paid and the Company's VAT and corporation tax affairs are concluded.

A handwritten signature in black ink, appearing to read 'C. Barrett', with a long horizontal flourish extending to the right.

**Christopher Benjamin Barrett**  
**Joint Liquidator**

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association



## Appendix A: Statutory Information

### Company Information

Company Name:	Strategic Natural Resources Plc
Trading Name:	N/a
Previous Name:	N/a
Company Number:	05249946
Date of Incorporation:	5 October 2004
Former Trading Address:	1 <sup>st</sup> Floor, 12 Old Bond Street, London, W1S 4PW
Current Registered Office:	c/o Dow Schofield Watts Business Recovery LLP, 7400 Daresbury Park, Daresbury, Warrington, WA4 4BS
Former Registered Office:	1 <sup>st</sup> Floor, 12 Old Bond Street, London, W1S 4PW
Principal Trading Activity:	Holding Company

### Appointment details

Joint Liquidators' names and address:	Christopher Benjamin Barrett (IP number 9437) and John Allan Carpenter (IP number 16270) both of Dow Schofield Watts Business Recovery LLP, 7400 Daresbury Park, Daresbury, Warrington, WA4 4BS.
Commencement of liquidation:	8 September 2015
Court:	High Court Leeds District Registry number 266 of 2015
Date of appointment:	8 October 2015
Appointment made by:	The Secretary of State

The Joint Liquidators act jointly and severally.

**Strategic Natural Resources plc**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 08/10/2018 To 07/10/2019 £	From 08/10/2015 To 07/10/2019 £
	<b>ASSET REALISATIONS</b>		
Uncertain	Shares & Investments	NIL	NIL
	VAT Refund	NIL	40,238.88
	Cash at Bank	NIL	824.64
	Bank Interest Gross	NIL	79.28
	Tax on Interest	NIL	(15.86)
	Petitioners Deposit	NIL	1,250.00
		NIL	42,376.94
	<b>COST OF REALISATIONS</b>		
	DTI Admin Fee	NIL	2,400.00
	DTI Banking Fee	88.00	352.00
	Sec of State Fees	NIL	8,139.04
	Petitioners Costs	NIL	10,151.40
	Courier Charges	35.00	35.00
	Bank Charges	0.15	0.30
		(123.15)	(21,077.74)
	<b>UNSECURED CREDITORS</b>		
(12,033,177.47)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(2,570,615.83)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(14,603,793.30)</b>		<b>(123.15)</b>	<b>21,299.20</b>
	<b>REPRESENTED BY</b>		
	Vat Receivable		7.00
	ISA NIB		21,292.20
			<b>21,299.20</b>

## Appendix C: Information relating to the Liquidators' Fees and Disbursements

### 1. Time recording policy

Work undertaken on insolvency appointments is recorded in 6 minute units on an electronic time recording system. Time properly incurred on cases is charged at the hourly charge-out rate of the grade of staff undertaking the work.

The current hourly charge-out rates are as follows:

Staff grade	Hourly rate (£) from 1 April 2019
Partner and Insolvency Practitioner	315
Manager	240-260
Assistant Manager	190-235
Senior Case Administrator	150-185
Case Administrator	105-145
Cashier	130
Trainee Case Administrator	75-100

The hourly charge-out rates are reviewed annually and may increase during the course of the liquidation.

### 2. Existing Fee Arrangements

The existing fee arrangements were decided by creditors by a vote by correspondence on 6 January 2017.

The Joint Liquidators are authorised to draw their remuneration on the basis of time properly spent in dealing with this matter, and they are permitted to charge Category 2 disbursements in accordance with the tariff set out below. The Liquidators' fees estimate provided to creditors when initially seeking fee approval was £29,835, which was based on the assumption that the liquidation would be concluded within 24 months of the date of appointment.

As the liquidation has become protracted, time costs are likely to exceed the fees estimate. In the event that further asset realisations are achieved, the Joint Liquidators will seek the approval of creditors under Rule 18.30 of the Insolvency (England and Wales) Rules 2016 to draw additional fees in excess of the fees estimate.

### 3. Time and Charge out summary

For the period of the report, from 8 October 2018 to 7 October 2019, a total of 19.6 hours have been spent at an average charge out rate of £157.45 bringing the time costs for this period to £3,086.00. A summary table is shown overleaf.

From the date of our appointment to 7 October 2019 a total of 212.9 hours have been spent at an average charge out rate of £134.37 bringing the total time costs to date to £28,608.00. The second table overleaf shows a summary of these costs.

# Time Entry - SIP9 Time & Cost Summary

S006 - Strategic Natural Resources plc  
All Post Appointment Project Codes  
From: 08/10/2018 To: 07/10/2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.60	2.10	4.60	2.00	9.30	1,504.00	161.72
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.50	1.30	2.70	2.40	6.90	926.50	134.28
Investigations	0.00	0.50	0.00	0.00	0.50	125.00	250.00
Realisation of Assets	0.00	0.00	2.90	0.00	2.90	530.50	182.93
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>1.10</b>	<b>3.90</b>	<b>10.20</b>	<b>4.40</b>	<b>19.60</b>	<b>3,086.00</b>	<b>157.45</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

S006 - Strategic Natural Resources plc  
All Post Appointment Project Codes  
From: 08/10/2015 To: 07/10/2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	7.50	12.00	10.80	70.40	100.70	11,812.50	117.30
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	4.10	6.60	3.40	25.80	39.90	5,067.00	126.99
Investigations	7.00	9.70	4.70	25.60	47.00	7,130.50	151.71
Realisation of Assets	4.80	4.40	9.10	7.00	25.30	4,598.00	181.74
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	23.40	32.70	28.00	128.80	212.90	28,608.00	134.37
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

#### **4. Description of work carried out during the period**

Section 3 of this appendix outlines the time costs incurred in relation to activities undertaken during the fourth year of the liquidation and cumulatively.

The work carried out during the fourth year of the liquidation can be summarised as follows:

##### **4.1 Administration and planning**

- Processing bank payments;
- Maintaining financial records and carrying out bank reconciliations;
- Case reviews; and
- Dealing with taxation returns and correspondence.

##### **4.2 Realisation of Assets**

- Correspondence with Quantuma and the business rescue practitioners regarding the business rescue of Elitheni.

##### **4.3 Investigations**

- Correspondence with the directors and former directors; and
- Review of company records.

##### **4.4 Creditors and members**

- Recording and maintaining the list of creditors;
- Recording creditor claims;
- Reporting to creditors and members; and
- Responding to creditor queries.

Staff of different levels were involved in the activities above depending on the experience required.

#### **5. Disbursements**

##### **Disbursements policy**

Office holders' disbursements fall under two categories:

Category 1 disbursements consist of external supplies of goods or services specifically relating to the case. Where such costs are paid by Dow Schofield Watts Business Recovery LLP, creditor approval is not required for those costs to be recharged to the insolvency estate. Category 1 disbursements will typically include costs such as statutory advertising, specific bond insurance, company search fees, storage, postage, external room hire and travel expenses (excluding business mileage).

Category 2 disbursements are costs that are directly referable to the case but not to a payment to an independent third party. They include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Such disbursements can only be charged to the insolvency estate with the approval of creditors. It is our policy to seek creditor approval for the payment of the following Category 2 disbursements:-

<b>Disbursement type</b>	<b>Rate</b>
Mileage	45p per mile

The following disbursements have been incurred and paid during the liquidation:

	This period		Previous period(s)		Cumulatively	
	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
<b>Category 1 disbursements</b>						
Bordereau	0.00	0.00	117.60	0.00	117.60	0.00
Travel	0.00	0.00	667.38	0.00	667.38	0.00
Postage	220.31	0.00	584.79	0.00	805.10	0.00
Advertising	0.00	0.00	73.00	0.00	73.00	0.00
Swear Fee	0.00	0.00	9.00	0.00	9.00	0.00
	220.31	0.00	1,451.77	0.00	1,672.08	0.00
<b>Category 2 disbursements</b>						
Mileage	0.00	0.00	98.55	0.00	98.55	0.00
<b>Total</b>	<b>220.31</b>	<b>0.00</b>	<b>1,550.32</b>	<b>0.00</b>	<b>1,770.63</b>	<b>0.00</b>

The above costs exclude VAT.

## 6. Creditors' rights

Under rule 18.9 of the Insolvency (England and Wales) Rules 2016, creditors are entitled to request information from the office-holders about their remuneration or expenses set out in this report.

Any request must be made by a secured creditor, an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or by any unsecured creditor with the permission of the court. A request, or an application to the court for permission, must be made within 21 days of receipt of the report or account.

The office-holder must, within 14 days of receipt of such a request respond by: providing all of the information requested; providing some of the information requested; or declining to provide the information requested.

The office-holder may respond by providing only some of the information requested or decline to provide the information if: the time or cost of preparation of the information would be excessive; disclosure of the information would be prejudicial to the conduct of the proceedings; disclosure of the information might reasonably be expected to lead to violence against any person; or the office-holder is subject to an obligation of confidentiality in relation to the information. An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

A creditor may apply to the court within 21 days of: the office-holder giving reasons for not providing all of the information requested; or the expiry of the 14 days within which an office-holder must respond to a request. The court may make such order as it thinks just.

Under rule 18.34 of the Insolvency (England and Wales) Rules 2016, an application to court may be made on the grounds that the office-holders' remuneration is in all the circumstances excessive, the basis of

remuneration is inappropriate, or the expenses incurred by the office-holders are in all the circumstances excessive.

Any application may be made by a secured creditor, an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors (including the creditor in question), or by any unsecured creditor with the permission of the court. The application must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question.

If the court considers the application to be well-founded, it must make one or more of the following orders: an order reducing the amount of remuneration; an order reducing any fixed rate or amount; an order changing the basis of remuneration; an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the winding up; an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by the liquidator to the company; any other order that it thinks just.

Unless the court orders otherwise, the costs of the application must be paid by the applicant and are not payable as an expense of the winding up.