

SS01024

Liquidator's Final Progress Report to Creditors

**Worldwide Natural Resources Plc
- In Compulsory Liquidation**

26 August 2016

TUESDAY



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1 Introduction

- 1 1 I, Jeffrey Mark Brenner of B&C Associates Limited, Concorde House, Grenville Place, Mill Hill, London , NW7 3SA, was appointed as Liquidator of Worldwide Natural Resources Plc (the **Company**) on 18 June 2014, following the presentation of a petition for the compulsory winding up of the Company by Premium Resources Limited on 4 February 2014. A winding-up Order was made against the Company on 14 April 2014. At the outset, there were no assets and anticipated liabilities of £1,000,002 as per the Official Receiver's Report.
- 1 2 The trading address of the Company was The Station Masters House, 168 Thornbury Road, Osterley Village, Isleworth, TW7 4QE.
- 1 3 The registered office of the Company was changed to Concorde House, Grenville Place, Mill Hill, London, NW7 3SA and its registered number is 05501024.
- 1 4 As the liquidation is now complete, I am required to provide a progress report covering the period since my last progress report. This is my final report in the liquidation and covers the period from 18 June 2015 to 26 August 2016 (**the Period**).

2 Progress of the Liquidation

- 2 1 This section of the report provides creditors with an overview of the progress made in the Period, together with information on the overall outcome of the liquidation.
- 2 2 At Appendix A, I have provided an account of my Receipts and Payments for the Period with a comparison to the Official Receiver's reported asset values, together with a cumulative account since my appointment, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator during the period of the liquidation.
- 2 3 This account has been reconciled with that which is held by the Secretary of State in respect of the winding up.
- 2 4 The time spent on this case relates to the following matters:
- Attending to correspondences and telephone calls with creditors
 - Recording and acknowledging creditors claims
 - Investigating into the affairs of the company
 - Preparation and submission of Statutory report to the Secretary of State
 - Obtaining bonding and completing bond reviews to enable the Liquidator to continue to act
 - Updating the Insolvency Practitioners System
 - Review and Statutory compliance which includes submissions to Companies House
 - Liaising with Solicitors

Realisation of Assets

- 2 5 No assets were listed in the Official Receiver's Report

Creditors (claims and distributions)

- 2 6 Further information on the outcome for creditors in this case can be found at section 3 of this report. A liquidator is not only required to deal with correspondence and claims from unsecured creditors, but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture as well as dealing with the general handling of communications with stakeholders, such as customers and suppliers.
- 2 7 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal. I would confirm that in this case no preferential claims have been received.
- 2 8 The above work will not necessarily bring any financial benefit to creditors generally and the more creditors there are on an assignment, the higher the resultant cost will usually be, however a liquidator is required by statute to undertake this work. In this case I have received various telephone calls, lodged claims and responded to creditor queries.

Investigations

- 2 9 As you may be aware, in a compulsory liquidation the duty to investigate the Company's affairs is the responsibility of the Official Receiver. There is no requirement on the Liquidator to submit a report or return on the directors' conduct to the Department for Business Innovation and Skills, however where matters are brought to the Liquidator's attention these are reported as appropriate to the Official Receiver for further consideration.
- 2 10 I would confirm that I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate and that may need reporting to the Official Receiver. That assessment took into account information provided by creditors in correspondence or to my request to complete an investigation questionnaire.
- 2 11 My investigations revealed various issues which required further investigation.
- 2 12 The Liquidator instructed Mackrell Turner Garrett (MTG) solicitors to assist him in his enquiries under a conditional fee arrangement. In particular MTG investigated whether there are any potential recoveries available to the Liquidation.
- 2 13 These investigations included an analysis of payments made from the bank account of the Company. Although explanations have been provided, further investigations were deemed necessary.
- 2 14 A particular focus is the activities of the Company in South Africa, with specific regard to a loan of £300,000 by Premium Resources Limited ("PRL"), a South African-registered entity. The terms of the loan involve another entity, Restimanzı (Pty) Limited ("RPty"). The questions relate to whether the latter was wholly owned by the Company and, by extension, the legal ownership of various plant and machinery.
- 2 15 MTG have recently confirmed that the above matter has been settled on the basis that the RPty would make a contribution of 400,000 rand towards the costs incurred by PRL and the parties would have no further claims against each other. This was as a result of various factual and technical defences that were raised by the respondents which made that continuation of the litigation untenable. "PRL accordingly decided to reach a settlement in order not to incur further costs".

3 Outcome for Creditors

Unsecured Creditors

3 2 I have received one claim of £9,000

3 3 I can confirm that the realisations are insufficient to declare a dividend to the unsecured creditors

4 Liquidator's Remuneration

4 1 The Liquidator sought approval of creditors for the basis of his remuneration by correspondence on 26 June 2014. No proxies had been received from creditors by 31 July 2015, which was the final day for submission. The basis of the Liquidator's remuneration therefore has not been approved.

4 2 For information I would advise that my time costs from 18 June 2015 to 17 June 2016 are £1,740.50. This represents 9.70 hours at an average rate of £179.43 per hour. Also attached as Appendix B is a cumulative Time Analysis from my appointment which are £5,235.50. This represents 28.70 hours at an average rate of £182.42 per hour.

4 3 Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade in respect of the costs fixed by reference to time properly spent by me in managing the liquidation.

4 4 A narrative explanation of the work undertaken by the Liquidator during the Period can be found at section 2 of this report and I would confirm that no sums have been paid in respect of these costs.

4 5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.icaew.com/en/technical/insolvency/creditors-guides

5 Creditors' rights

5 1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.

5 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

6 Conclusion

6 1 This report together with the final meeting of creditors will conclude my administration of the liquidation. Details of the final meeting and resolutions to be considered have been circulated with this report.

J M BRENNER
LIQUIDATOR

Appendix A

**Receipts and Payments Account for the Period and
Cumulative from the Date of Appointment**

Worldwide Natural Resources Plc
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 18/06/2015 To 26/08/2016 £	From 18/06/2014 To 26/08/2016 £
COST OF REALISATIONS		
DTI Audit Fees	NIL	2,400 00
Secretary of State Fees	NIL	16 35
Petitioners Deposit	NIL	(1,165 00)
Bank Charges	110 00	198 00
	(110 00)	(1,449 35)
	<u>(110 00)</u>	<u>(1,449.35)</u>
REPRESENTED BY		
ISA NIB Current Account		(1,449 35)
		<u>(1,449 35)</u>

Note

Appendix B

**Time Analysis from 18 June 2015 to 17 June 2016 and
Cumulative From 18 June 2014 to 17 June 2016**

SIP 9 - Time & Cost Summary

Period 18/06/14 17/06/16

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	1 70	1 00	8 10	0 00	10 80	2,282 00	211 30
Investigations	0 00	0 00	7 40	0 00	7 40	1,221 00	165 00
Realisations of assets	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case specific matters	0 00	0 00	10 50	0 00	10 50	1,732 50	165 00
Total Hours	1 70	1 00	26 00	0 00	28 70	5,235 50	182 42
Total Fees Claimed						0 00	

SIP 9 - Time & Cost Summary

Period 18/06/15 17/06/16

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0 70	0 00	4 60	0 00	5 30	1,014 50	191 42
Investigations	0 00	0 00	2 20	0 00	2 20	363 00	165 00
Realisations of assets	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case specific matters	0 00	0 00	2 20	0 00	2 20	363 00	165 00
Total Hours	0 70	0 00	9 00	0 00	9 70	1 740 50	179 43
Total Fees Claimed						0 00	

Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment
- 1.3 We have not utilised the services of any sub-contractors in this case

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis

Name of Professional Advisor	Basis of Fee Arrangement
Mackrell Turner Garrett (legal advice)	Conditional Fee Arrangement

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them

3 Liquidator's Expenses & Disbursements

Summary of Liquidator's expenses

- 3.2 Details of the expenses paid by the Liquidator during the Period can be found in the Receipts and Payments account at Appendix A. An outline of the total expenses paid during the liquidation can be found in the Receipts and Payments account at Appendix B
- 3.3 Below are details of disbursements which are unpaid at the date of this report

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Category 1 disbursements				
Statutory advertising	-	-	205 00	205 00
Specific penalty bond	-	-	36 00	36 00
Companies House Searches	-	-	4 00	4 00
Records Storage	-	-	11 53	11 53
Category 2 disbursements				
Initial Case set up	-	-	10 00	10 00
IPS Accounting System Charge	-	-	15 00	15 00
Telephone	-	-	10 00	10 00
Circularisation to Creditors	-	-	94 50	94 50

- 3.4 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case

- 3 5 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors.

4 Charge-Out Rates

- 4 1 B&C Associates Limited current charge-out rates effective from 1 January 2016 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

The current hourly charge-out rates applicable to this appointment (excluding VAT) are

	£
• Directors	365
• Managers	325
• Administrators	165
• Assistants	125
• Juniors	75

All time costs are charged in units of 6 minutes.

Charge out rates, and rates for indirect expenses (see below), are normally reviewed annually in December with any changes taking effect from 1 January. Charges take into account such matters as inflation, increases in salary costs and changes to indirect costs such as Professional Indemnity Insurance.