

AM03

Notice of administrator's proposals



Companies House

SATURDAY



A15 *A80UL32H*
09/03/2019 #226
COMPANIES HOUSE

1 Company details

Company number 0 9 3 2 7 3 3 9

Company name in full Mederco (Glasgow) Ltd

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

2 Administrator's name

Full forename(s) Philip

Surname Duffy

3 Administrator's address

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country

4 Administrator's name ①

Full forename(s) Steven

Surname Muncaster

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

5 Administrator's address ②

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country

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

AM03

Notice of Administrator's Proposals

6

Statement of proposals



I attach a copy of the statement of proposals

7

Sign and date

Administrator's
Signature

Signature

✕

✕

Signature date

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y

19

AM03

Notice of Administrator's Proposals



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 **Callum O'Brien**

Company name **Duff & Phelps Ltd.**

Address **The Chancery**

58 Spring Gardens

Post town **Manchester**

County/Region

Postcode **M 2 1 E W**

Country

DX

Telephone



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 and dated 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

Statement of Proposals

8 March 2019

Mederco (Glasgow) Ltd
(In Administration)
(“The Company”)

Joint Administrators Report to Creditors and Statement of Proposals

Duff & Phelps Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW

Definitions

the Act	The Insolvency Act 1986 (as amended)
the Agents	Middleton Barton Asset Valuation Limited, being the independent agents who were instructed to value and sell the assets of the Company
the Appointment Date	17 January 2019 being the date of appointment of the Joint Administrators
the Bank / HSBC	HSBC with whom the Company banked
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Company	Mederco (Cardiff) Ltd (In Administration) (Company Number 09477164)
DBEIS	Department for Business, Energy & Industrial Strategy
the Director	Stewart Paul Day, the sole director of the Company
Duff & Phelps	Duff & Phelps Ltd The Chancery 58 Spring Gardens, Manchester M2 1EW
EC Regulation	EC Regulation on Insolvency Proceedings 2000
the Joint Administrators	Philip Duffy and Steven Muncaster of Duff & Phelps Ltd The Chancery 58 Spring Gardens Manchester M2 1EW
NOA	Notices of Appointment of Philip Duffy and Steven Muncaster as Joint Administrators of the Company
NOI	Notice of Intention to Appoint Administrators
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Property / Glasgow Site	Euro Car Park Site, Jocelyn Square, Glasgow, G1 5JU
the Proposals	The Joint Administrators Report to Creditors and Statement of Proposals dated 8 March 2019
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditor / Saving Stream	Saving Stream Security Limited, a trading division of Lendy Limited, being the holder of fixed and floating charges over the Company assets
the Selling's Agents	Prinvest UK Limited, the selling agents of the Mederco (Cardiff) student accommodation

SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SOA	Statement of Affairs, documentation to be supplied by the Director outlining the Company's financial position as at the Appointment Date

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1. Introduction

- 1.1 The Joint Administrators were appointed on the Appointment Date by the Secured Creditor, the holder of a qualifying floating charge of the Company
- 1.2 The functions of the Joint Administrators may be exercised by either of the Joint Administrators
- 1.3 This report is the statutory statement of proposals of the Joint Administrators. It sets out the circumstances leading up to their appointment and their strategy for achieving the purpose of the administration.
- 1.4 These proposals are delivered to creditors within two business days of the date of this report

2. Background

- 2.1 Statutory information on the Company and a summary of its financial history is included at Appendix 1
- 2.2 The Company was incorporated on 25 November 2014 by the Director
- 2.3 The Company specialised in the buying and selling of own real estate and the development of building projects
- 2.4 The Company operated from a leasehold premises in Blackburn, Lancashire
- 2.5 The Company granted legal charges to the Secured Creditor with fixed and floating charges over the Property
- 2.6 These charges were created on 5 April 2017, 10 April 2017 and 11 April 2017, and were delivered on 6 April 2017, 26 April 2017 and 19 April 2017 respectively
- 2.7 The Glasgow Site is located within the city centre of Glasgow and extends to approximately 0.37 acres and is effectively an island site. It comprises of the existing Euro Car Park Short Stay Car Park and is bounded by Jocelyn Square to the south

3. Events Leading up to the Administration

- 3.1 The Company was incorporated for the erection of student accommodation with all the associated car parking, servicing and landscaping
- 3.2 Planning consent was granted by Glasgow City Council on 20 March 2017 under reference 16/02539/DC, subject to a Section 75 Agreement
- 3.3 This agreement is without capital contributions or other value significant costs.
- 3.4 The student accommodation comprises a six storey building to create 169 self-contained units including six accessible studios, with a total area of 50,656sq
- 3.5 The ground floor accommodation incorporates a reception entrance lobby, a café and lounge, resident's gym, administrative office, laundry and ancillary stores, plant rooms, refuse bin stores and a residents lounge on each of floors 1 to 4
- 3.6 Due to a significant shortfall due to the Secured Creditor, the Company was insolvent

- 3.7 The Director was unable to appoint Administrators and therefore given the insolvency of the Company, invited the Secured Creditor to make an appointment under their floating charge
- 3.8 A NOI was filed at Court on 14 January 2019 and subsequently served upon the Company and the Secured Creditors. Consent was duly received and the Secured Creditor proceeded to file the NOA.
- 3.9 Philip Duffy and Steven Muncaster were formally appointed as Joint Administrators on the Appointment Date
- 3.10 The Joint Administrators considered the position prior to accepting the appointment and having regard to the Insolvency Practitioners Association's ethical guidelines, considered that there were no circumstances preventing them from accepting the appointment

4. Purpose of the Administration

- 4.1 The purpose of an Administration is to achieve one of the following hierarchical objectives
- Rescuing the company as a going concern, or
 - Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in Administration) or
 - Realising property in order to make a distribution to one or more secured or preferential creditors
- 4.2 In accordance with Paragraph 49(2) of Schedule B1 of the Act, the Joint Administrators note the following
- The first objective will not be achieved as there are insufficient funds and assets available to enable the Company to be rescued as a going concern
 - The second objective may not be achievable as there is no evidence to suggest that it is likely that a better result for the Company's creditors as a whole will be achieved than if the Company was wound up
 - The Joint Administrators are pursuing the third objective as it is anticipated that a distribution will be paid to the Secured Creditors from each company and therefore the statutory purpose will be attained
- 4.3 The Joint Administrators' proposals for achieving the purpose of the Administration are set out in the remainder of this report

5. Statement of Affairs

- 5.1 The Joint Administrators have requested that the Director provides a SOA. A short extension of time has been granted and upon receipt the SOA will be filed at Company House. An estimated financial position and schedule of creditors has been provided at Appendix 4
- 5.2 The costs and expenses of the Administration have not been applied and will be deducted from the asset realisations. Some creditor amounts shown may differ from the actual amount owed. This does not affect their claim

6. Progress of the Administration to Date

- 6.1 The manner in which the affairs and business of the Company have been managed, since the appointment of Joint Administrators and will continue to be managed and financed are set out below.

Decision Not to Trade

- 6.2 Following an evaluation of the business, the Joint Administrators took the decision not to trade the Company for the following reasons

- The business had effectively ceased to trade as the Company had insufficient working capital to fund the construction of the development of the student accommodation in Glasgow nor were they receiving any monies for the sites original use as a car park

The Property

- 6.3 The Joint Administrators are reviewing the financial position of the Company and liaising with the Agents to devise a strategy that will maximise any return to creditors where possible, including the marketing of the property to sell

Cash at Bank

- 6.4 As at the Appointment Date, the Company's current account held a credit balance of £18. These funds will be transferred into the Administration estate in due course
- 6.5 No further funds are anticipated in this regard

Other Assets

- 6.6 The Joint Administrators are not aware of any other assets

7. Investigations

- 7.1 The Joint Administrators' investigations into the Company's affairs are currently ongoing
- 7.2 The Joint Administrators have a statutory obligation to file a report with the DBEIS regarding the conduct of the Directors that held office in the three years prior to the Administration. This report must be filed within three months from the Appointment Date and the content of this report is confidential

8. Liabilities and Dividends

Secured Creditors

- 8.1 The Secured Creditor holds several charges over the Property of which are listed in further detail in Appendix 9
- 8.2 As at the Appointment Date, the outstanding indebtedness to the Secured Creditor, excluding contractual interest and charges, was £4.5m
- 8.3 This outstanding indebtedness to the Secured Creditor relates to legal charges over the Glasgow Site
- 8.4 It is currently uncertain whether there will be sufficient funds to repay the Secured Creditor in full

Preferential Creditors

- 8.5 Based on information provided by the Director, it is not anticipated that there will be any preferential creditor claims, as the Company did not have any employees as at the Appointment Date.

Prescribed Part

- 8.6 The Prescribed Part is calculated as a percentage of net property, as follows -

Net property less than £10,000	50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential unsecured creditors would be disproportionate to the benefits
Net property greater than £10,000	50% up to £10,000 plus 20% thereafter to a maximum of £600,000

- 8.7 The Company granted several fixed and floating charges to the Secured Creditor as detailed in Appendix 9, however the Prescribed Part will not apply in this instance given there are no floating charge assets.

Non-Preferential Creditors

- 8.8 According to the current information available, it is not anticipated that there will be any non-preferential creditor claims, as there are no non-preferential creditors of the Company.
- 8.9 Based upon the current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential creditors of the Company, other than from the Prescribed Part, if any.

9. Statement of Pre-Administration Costs

- 9.1 Pre-Administration costs are fees charged and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Company entered Administration but with a view to it doing so.
- 9.2 The Pre-Administration time costs incurred in respect of the Company includes providing formal insolvency advice and assisting with placing the Company into Administration and liaising with the Secured Creditor.
- 9.3 The Joint Administrators have incurred Pre-Administration time costs totalling £765, representing 4 hours at an average charge our rate of £180.
- 9.4 In addition, the Joint Administrators incurred Pre-Administration expenses as detailed below. In total, costs incurred prior to the appointment of the Joint Administrators are summarised below.

Name of Recipient	Brief Description of Services Provided	Total Amount Approved
Duff & Phelps	Meetings with the Director and the Purchaser exploring the insolvency options and strategies and negotiations with interested parties and preparing the NOI and NOA	£765
Walker Morris LLP	Assistance in placing the Company into Administration and other ad hoc legal matters	£2,500
Middleton Barton Asset Valuation Limited	Attending site and producing a valuation report on the Company's property	£2,100
Total Unpaid Pre-Administration Costs		£5,365

9.5 The Joint Administrators confirm that payment of the unpaid pre-Administration costs, as an expense of the Administration is subject to approval under Rule 3.52 of the Rules and not part of the Proposals, subject to approval under paragraph 53, Schedule B1 of the Act

9.6 The Joint Administrators will be seeking approval from the Secured Creditor in respect of these costs

10 Costs & Expenses

Estimated Fees and Expenses

10.1 It is proposed that the Joint Administrators' fee basis is based on time costs

10.2 The time costs already charged since appointment are analysed at Appendix 4. Time is charged in six minute units

10.3 Time costs of £10,117 have been incurred since the Appointment Date, representing 31 hours at an average charge out rate of £328

10.4 The Joint Administrators will be seeking the approval from the Secured Creditor for their remuneration

10.5 The amount proposed to be drawn in fees over the life of the case by the Administrators is shown in Appendix 5. The total amount indicated effectively acts as a cap on the level of fees to be drawn by the Administrators

10.6 Also attached at Appendix 6 is the Fees Narrative, a summary of key issues, to assist creditors in understanding the strategy of the Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors, if any, are in the body of this report

10.7 The Administrators estimate the expenses of the Administration to total about £8,962, as shown in Appendix 7. This Schedule illustrates the estimated expenses for the whole of the Administration and is for information purposes only. No approval is required by creditors. This Estimate may change over the course of the Administration but creditors will be informed of any variations with associated reasons in the annual Progress Reports

- 10.8 Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is in Appendix 8

11. Joint Administrators' Receipts and Payments Account

- 11.1 The Joint Administrators' Receipts and Payments account is provided at Appendix 2 and given the Joint Administrators have not realised any assets to date and costs are being covered by the Secured Creditor, the R&P currently shows no activity

12. EC Regulation

- 12.1 It is the Joint Administrators' opinion that the EC Regulation applies and these proceedings are main proceedings as defined in Article 3 of the EC Regulation

13. Deemed Approval

- 13.1 The Joint Administrators' proposals will be deemed approved by the creditors unless creditors whose debts amount to at least 10% of the total debts of the Company request the Joint Administrators to seek a specific decision from the Company's creditors
- 13.2 Further information is provided on Appendix 8 Statement of Creditors Rights

14. End of Administration

- 14.1 The options available to the Joint Administrators for the exit from the Administration are as follows
- Compulsory Liquidation
 - Creditors' Voluntary Liquidation
 - Company Voluntary Arrangement
 - Return of control to the Director(s)
 - Dissolution of Company
- 14.2 The Joint Administrators are yet to form a view on the exit route or make a recommendation in this regard as the outcome will be dependent on the value achieved in the realisation of the Company's assets
- 14.3 You will note from the proposals section below that the Joint Administrators have left the choice of exit route from the Administration open so that an alternative strategy can be adopted, should this prove more appropriate at the time

15. Joint Administrators' Proposals

- 15.1 The Joint Administrators' proposals shall be deemed approved by the creditors on the expiry of the period in which a decision can be requisitioned by creditors as detailed in the Appendix 8
- 15.2 The Joint Administrators propose the following for the Company
- 15.2.1 That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect

- 15.2.2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration
- 15.2.3 That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Company to the effect that the Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration will cease
- 15.2.4 That the Joint Administrators, where they consider that there are funds available to be distributed to the non-preferential creditors, other than under the prescribed part, take the necessary steps to put the Company into either Creditors' Voluntary Liquidation or dissolution as they deem appropriate. It is proposed that the Joint Administrators currently Philip Duffy and Steven Muncaster of Duff & Phelps, would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them
- 15.3 The Joint Administrators will be seeking specific agreement to the following proposals from the Secured Creditor
- 15.3.1 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing
- 15.3.2 That a Creditors' Committee be established if sufficient creditors are willing to be members of a Committee
- 15.3.3 That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration
- 15.3.4 That the Joint Administrators' Fee Estimate in the total sum of £41,535 is approved
- 15.3.5 That the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration ('Category 2 Disbursements ')
- 15.4 The Joint Administrators will also seek specific agreement to the following resolutions (which does not form part of the Proposals)
- 15.4.1 That the unpaid Pre-Administration costs totalling £5,365 plus VAT, as detailed in the Joint Administrators' Statement of Pre-Administration costs, is approved for payment as an expense of the Administration

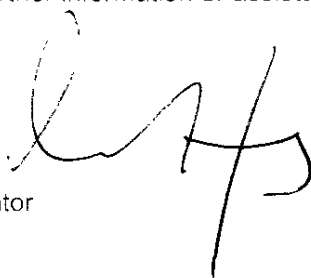
16. Other Matters

If any creditor has any information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, then they would be pleased to hear from them

If you require further information or assistance, please do not hesitate to contact this office at 0161 927 9000

Philip Duffy
Joint Administrator

Enc



The affairs, business and property of the Company are being managed by the Joint Administrators, Philip Duffy and Steven Muncaster who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1

Statutory Information

Statutory Information

Date of Incorporation	25 November 2014
Registered Number	09477164
Company Director(s)	Stewart Paul Day
Company Secretary	Stewart Paul Day
Shareholders	Stewart Paul Day – 100% Shareholding
Trading Address	Unit 18 Cunningham Court Lions Drive Blackburn Lancashire BB1 2QX
Registered Office	Current: C/o Duff & Phelps Ltd The Chancery 58 Spring Gardens Manchester Former: Unit 18 Cunningham Court Lions Drive Blackburn Lancashire BB1 2QX
Any Other Trading Names	N/A

Financial Information

Balance Sheet

	As at 31 December 2016 (Unaudited Management)		As at 31 December 2015 (Unaudited Management))	
Current Assets				
Debtors	£	123 000	£	700
Cash at Bank	£	190 000	£	140 000
	£	313,000	£	140,700
Current Liabilities				
Creditors (amounts falling due within one year)	£	(536,048)	£	(165 686)
	£	(536,048)	£	(165,686)
Net Current Liabilities	£	(223,048)	£	(24,986)
Total Assets less Current Liabilities	£	(223,048)	£	(24,986)
Capital and Reserves				
Called Up Share Capital	£	100	£	100
Retained Earnings	£	(223 148)	£	(25 086)
Shareholders' Funds	£	(223,048)	£	(24,986)

Appendix 2

Receipts and Payments Account

**Mederco (Glasgow) Ltd
(In Administration)
Joint Administratorss' Summary of Receipts & Payments
To 08/03/2019**

S of A £	£	£
		NIL
REPRESENTED BY		NIL

Appendix 3

Estimated Financial Statement

**Estimated Financial Position
Mederco (Glasgow) Ltd (In Administration)**

	Notes	Administration	Estimated to Realise / (Estimated Cost)
Assets			
Fixed Charge			
Properties	1		3,265,000
Floating Charge			
Cash at Bank	2		18
Liabilities			
Secured Creditor			
Lendy Limited	3		(4,500,000)
Estimated Deficiency			(1,234,982)
Share Capital			
		100	
Total Deficit			(1,234,882)

Notes to the Summarised Financial Position as at the report date

- 1 Book value of the proposed property
 - 2 Cash at bank is yet to be confirmed or transferred from the Company account to the Administration Estate Account by HSBC
 - 3 The total Lendy Limited demand from the company excluding any charges/fees
- Please Note: This statement does not take into account Administration costs. Furthermore, the creditor information was provided to the Joint Administrators prior to their appointment and is currently being updated. Creditor balances may therefore differ from those shown but does not affect creditors' rights to claim the debt due to them in full

Appendix 4

Analysis of Time Charged and Expenses Incurred

98703 MEDERCO (GLASGOW) LTD

ANALYSIS OF TIME COSTS FOR THE PERIOD 08/01/2019 to 16/01/2019

ADP-Admin. - Pre Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Cashiering & accounting	0.00	0.00	0.00	0.20	0.00	0.20	36.00	180.00
Strategy planning & control	0.00	0.00	0.00	3.45	0.00	3.45	621.00	180.00
Creditors								
Secured Creditors	0.00	0.00	0.00	0.60	0.00	0.60	108.00	180.00
Total Hours:	0.00	0.00	0.00	4.25	0.00	4.25		180.00
Total Fees Claimed: £	0.00	0.00	0.00	765.00	0.00		765.00	

98703 MEDERCO (GLASGOW) LTD

ANALYSIS OF TIME COSTS FOR THE PERIOD 17/01/2019 to 08/03/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.00	0.00	0.00	0.35	0.00	0.35	63.00	180.00
Cashiering & accounting	0.00	0.10	0.00	2.00	0.00	2.10	425.00	202.38
Dealings with Directors and Management	0.80	0.00	0.00	0.10	0.00	0.90	442.00	491.11
IPS set up & maintenance	0.00	0.00	0.00	0.15	0.00	0.15	27.00	180.00
Insurance	0.00	0.00	0.00	1.55	0.00	1.55	279.00	180.00
Statement of affairs	0.00	0.00	0.00	0.25	0.00	0.25	45.00	180.00
Statutory matters (Meetings & Reports & Notices)	0.00	3.50	0.00	4.70	0.00	8.20	2,378.75	290.09
Strategy planning & control	0.00	12.00	0.00	4.10	0.00	16.10	6,138.00	381.24
Tax Compliance / Planning	0.00	0.00	0.00	0.15	0.00	0.15	27.00	180.00
Creditors								
Secured Creditors	0.00	0.35	0.00	0.00	0.00	0.35	157.50	450.00
Investigations								
CDDA & reports & Communication	0.00	0.00	0.00	0.25	0.00	0.25	45.00	180.00
Realisation of Assets								
Freehold and Leasehold Property	0.00	0.00	0.00	0.50	0.00	0.50	90.00	180.00
Total Hours:	0.80	15.95	0.00	14.10	0.00	30.85		327.95
Total Fees Claimed: £	424.00	7,175.50	0.00	2,517.75	0.00		10,117.25	

Appendix 5

Fee Estimate

Fees Estimate

Project: (98703) Mederco (Glasgow) Ltd

From Jan 17, 2019 To Jan 17, 2020

Comments

Post-appointment ADM fee estimate

Administration - Post Appointment (New)							
Classification of Work Function	Hours				Total Hours	Time Cost	Avg. Hourly
	Partner	Manager	Senior	Assistant	Support		
Admin & Planning							
Case review and Case Diary management	0.50	1.00	0.00	3.00	0.00	1,255.00	278.89
Cashiering & accounting	0.50	1.00	0.00	3.00	0.00	1,255.00	278.89
Dealings with Directors and Management	2.00	3.00	0.00	2.50	0.00	2,860.00	381.33
Insurance	0.00	0.00	0.00	1.25	0.00	225.00	180.00
Statement of affairs	0.50	0.50	0.00	2.00	0.00	850.00	283.33
Statutory matters (Meetings, Reports and Notices)	2.00	5.00	0.00	12.00	0.00	5,470.00	287.89
Strategy planning & control	6.00	10.00	0.00	12.00	0.00	9,840.00	351.43
Tax Compliance/Planning	0.00	0.00	0.00	1.50	0.00	270.00	180.00
Creditors							
Communications with Creditors/Employees	0.00	0.00	0.00	1.00	0.00	180.00	180.00
Non Pref Creditor claims adjudication and dist'n	0.00	0.00	0.00	1.00	0.00	180.00	180.00
Non Pref Creditors/Employee claims handling	0.00	0.00	0.00	1.00	0.00	180.00	180.00
Prescribed Part	0.00	0.00	0.00	1.00	0.00	180.00	180.00
Secured Creditors	5.00	8.00	0.00	4.00	0.00	6,970.00	410.00
Investigations							
CDDA, reports & Communication	1.00	2.00	0.00	10.00	0.00	3,230.00	248.46
Realisation of assets							
Freehold and Leasehold Property	0.00	0.00	0.00	1.00	0.00	180.00	180.00
Other Intangible Assets	0.00	0.00	0.00	1.00	0.00	180.00	180.00
Other Tangible Assets	0.00	0.00	0.00	1.00	0.00	180.00	180.00
Sale of Business	5.00	10.00	0.00	5.00	0.00	8,050.00	402.50
Total Hours	22.50	40.50	0.00	63.25	0.00		
Total Estimated Fees	11,925.00	18,225.00	0.00	11,385.00	0.00	41,535.00	

Appendix 6

Fees Narrative

Mederco (Glasgow) Limited (In Administration) ("the Company")

Philip Duffy and Steven Muncaster were appointed Joint Administrators of the Company on 17 January 2019

Introduction

The following information is provided to creditors to enable them to consider and approve the Joint Administrators' remuneration. It is a summary of key issues, to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities in the Administration and the financial benefit to creditors.

This document should be read in conjunction with the Joint Administrators' Statement of Proposals which provides further details of the assets, liabilities and estimated return to creditors, if any. Particular reference is made to the Appendices entitled 'Fee Estimate' and 'Estimated Expenses of the Administration'.

Estimated Fees and Expenses

The Joint Administrators propose that their fees will be based on time costs, being fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.

The ability for the Joint Administrators to draw fees is dependent on asset realisations and the authority of the Secured Creditor. The Secured Creditor is asked to approve the basis of the fees and the Fee Estimate which effectively acts as a cap on the fees that can be drawn (subject to the Joint Administrators' ability to seek an increase in the approved amount from creditors, if appropriate).

The amount anticipated to be incurred in time costs over the life of the Administration by the Joint Administrators, assuming it is closed by the automatic end date on 17 January 2020, is shown in Appendix 5. The Joint Administrators estimate that total time costs to be incurred in the Administration will be £41,535.

The Joint Administrators estimate the expenses of the Administration to total approximately £8,962 (as shown in Appendix 7 – Estimated Expenses of the Administration). This Appendix illustrates the estimated expenses for the whole of the Administration and is for information purposes only (not for approval by any class of creditor). This Estimate may change over the course of the Administration and creditors will be informed of any variations with associated reasons in future progress reports.

Please note that no pre-appointment time costs are being sought by the Joint Administrators for approval.

The Creditors are asked to approve the fee basis (time costs) and also the Fee Estimate in the total sum of £41,535.

It should be noted these expenses will only be paid if realisations allow sufficient funds to do so and in this instance, these costs may be incurred if there are likely to be insufficient funds to pay them.

Estimated Return to Creditors

The outcome for all classes of creditor is referred to in detail in the main body of the report, the contents of which have been summarised for reference below.

Secured Creditor

On present information, it is likely that there will be sufficient funds available to enable a distribution to the Secured Creditor

Preferential Creditors

Based on information provided by the Director, it is not anticipated that there will be any preferential creditor claims, as the Company did not have any employees as at the Appointment Date.

Non-Preferential Creditors

Based on current information, it remains uncertain whether there will be sufficient realisations to enable a distribution to non-preferential creditors of the Company

Strategy

Administration & Planning

The role of a Joint Administrator is highly regulated, being required to conform to insolvency legislation, industry best practice policies (Statements of Insolvency Practice) and relevant case law. Consequently the Joint Administrators are obliged to undertake many activities that do not provide a financial benefit to creditors

In addition, throughout the course of the Administration, the Joint Administrators will regularly review the strategy and complete case reviews at week one, after three months, and every six months thereafter. These activities do not necessarily provide a direct financial benefit to creditors, however these are necessary to ensure that the Administration runs efficiently

The Joint Administrators' time costs to date total £9,825 and have comprised the following tasks:

- Complying with anti-money laundering checks, bribery act and ethical checks,
- Setting up the Administration on our internal systems and on the Creditors' Portal
- Companies House filings,
- Calculating and obtaining the Insolvency Practitioners' bond,
- Undertaking treasury functions in setting up the Administration
- Arranging insurance
- Internal strategic discussions and meetings and completing one week case review
- Advertising the Joint Administrators' appointment and notifying all relevant stakeholders,
- Dealing with the Directors, including assisting them in the preparation of the SOA and obtaining the Company's information, and
- Preparing the Joint Administrators' Proposals

Total time costs estimated to be incurred for Administration & Planning total £22,025, including the costs incurred to date. This process will include the following future tasks:

- Performing periodic and strategic case reviews,
- Undertaking ongoing cashiering and accounting functions,
- Filing notices with Companies House and the Court at relevant intervals
- Dealing with tax compliance and returns,
- Ensuring that all insurance and bonding requirements are appropriate,
- Preparing progress reports to all creditors of the Company every six months
- Preparing a final report to all creditors of the Company, and
- Internal strategic discussions and meetings

Creditors

The Joint Administrators will deal with all creditor queries as appropriate

With regard to non-preferential unsecured creditors, the Joint Administrators and case staff will liaise accordingly to assist them in submitting their claims in the Administration. During the Administration it is anticipated that the Joint Administrators will have to deal with creditor queries and lodging creditors' claims that will be submitted onto the case management system

Should it be considered that there are sufficient asset realisations to enable a dividend to non-preferential unsecured creditors, the Joint Administrators will then adjudicate on all submitted claims to agree or reject the claims (in part or in full) prior to declaring and paying any dividend distribution

Going forward, the Joint Administrators will be dealing with creditor matters such as lodging claims onto the case management system, as and when queries and claims are presented. Total time costs in respect of creditors are estimated to be £7,690 including the costs incurred to date and are expected to comprise of the following future tasks

- Dealing with correspondence emails and telephone conversations regarding claims in the Administration
- Dealing with any claims submitted
- Maintaining up to date creditor information and claims status on the case management system
- Maintaining the creditors' portal website,
- Adjudicating and agreeing creditor claims in the event a dividend will become payable
- Declaring, calculating and paying a Prescribed Part dividend
- Distributing dividends to creditors, in the event that dividends will be payable and
- Reporting to the Secured Creditor

Total estimated time costs in respect of all classes of creditor are detailed above

Investigations

It is a statutory requirement that the Joint Administrators provide a report to the DBEIS on the conduct of the Director in his management of the Company to determine their fitness to act in such a role

This will entail a broad level of investigation to ensure that best practice standards are met and the Fee Estimate reflects this standard. If DBEIS then instigates Directors' Disqualification proceedings, further time may be expended in providing supporting documents, witness statements etc. Such investigations may or may not lead to further asset recovery so creditors should not assume that this activity will provide a monetary benefit to the Administration estate

Total time costs in respect of Investigations are estimated to be £3,230. This process will include the following future tasks

- Securing the Company's books and records and taking a back up of the Company's accounting system,
- Writing to the Bank to request historic bank statements for the Company, and
- Seeking the completion of a questionnaire by the Directors
- Review of bank statements
- Investigation of any potential claims with regard to antecedent transactions,
- Land Registry and Companies House searches,
- Logging and reviewing any creditor complaints and concerns regarding the Directors' conduct,
- Internet and social media searches,
- Completion of the Duff & Phelps investigation work programme and

- Statutory reporting requirements to the DBEIS in respect of the Directors' conduct and any resulting correspondence.

The above time estimate assumes that more detailed investigations are not required. In the event, however, that more detailed work is required, the time costs involved are expected to be higher. In such a scenario, the Joint Administrators will advise creditors in future progress reports.

It should be noted that full details of the investigations cannot be disclosed in order to avoid prejudicing any potential recovery or action in this regard.

Realisation of Assets

The fundamental duty of an administrator is that of the recovery and realisation of the Company's assets. The Joint Administrators' powers are designed to ensure the effective discharge of this duty. The Joint Administrators must recover the assets of the Company for the benefit of the creditors and ultimately the members and must realise the same to effect the best possible outcome.

The Joint Administrators have incurred total time costs of £90 during the Reporting Period in dealing with the realisations of Company's assets.

The Joint Administrators estimate total time costs of £8,590, including the time already incurred in this regard. This is estimated to include the following future matters:

- Sale of the Business
- Other Intangible and Tangible Assets, such as goodwill and cash at bank, and
- Realisation of the Freehold Property and planning permission.

There are no other known assets of the Administration at this time; however, the Joint Administrators will seek to identify any additional assets for the benefit of the Administration.

Should you have any queries, please contact Callum O'Brien on 0161 827 9156 or Callum.Obrien@duffandphelps.com

Appendix 7

Estimated Expenses of the Administration

Mederco (Glasgow) Limited (In Administration) ("the Company")
Joint Administrators' Estimated Expenses of the Administration

Notes	Company	Activity	Fee Basis	Anticipated Cost* (£)
1	Professional Advisors/Services			
2	Middleton Barton Asset Valuation Limited	Agents - Producing valuation and marketing reports on the Company's property marketing the property and assisting in the potential sale of the property	Fixed Fee	3,918.00
3	Accountants - TBC	Completion of Administration Corporation Tax Returns	Fixed Fee	2,000.00
4	JLT Specialty Limited	Insurance of Assets	As incurred	1,000.00
5	Total Data Management Limited	Storage Costs for the collection storage and destruction of Administration case files and the Company's books and records	As incurred	500.00
6	Courts Advertising Limited	Statutory Advertising for the notice of appointment in the London Gazette and any potential non-preferential dividend distribution	Fixed fee per advert	169.20
7	insolvencyIT - TBC	Statutory compliance	Time cost basis	1,000.00
		Sub-total		8,587.20
8	Category 1 Disbursements			
9	Bond Premium			225.00
10	Travel costs			100.00
		Sub-total		325.00
11	Category 2 Disbursements			
	Mileage @45p per mile			50.00
		Sub-total		50.00
	Total Estimated Expenses			8,962.20

*All costs provided are exclusive of VAT

Notes

- The Joint Administrators choice of professional advisers services firms will be based on their perception of the experience and ability of the respective firms/individuals to perform their work the complexity and nature of the assignment and the basis of their fees
- Valuation agents instructed to assist with providing a report on the Company's development site including valuation and description and proposed planning
- To be instructed to assist the Joint Administrators with submitting corporation tax returns for the period leading up to the Administration if required
- Insurers instructed to provide open cover public liability and employers liability insurance
- It is a statutory requirement that books and records of the Joint Administrators must be kept for six years after the conclusion of the Administration. These will be stored off site
- Statutory advertising in the London Gazette is required under insolvency legislation. This estimate is in respect of advertising the Joint Administrators' appointment and a provision has been made for any further potential distribution
- Virtual Data Recovery – will be instructed to take mirrors of the Company's servers and backups of its accounting system
- Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the Administration
- It is a statutory requirement for Insolvency Practitioners to have a bond on each case to which they are appointed. The cost is based on the value of the assets
- Where staff need to attend meetings outside the office (eg at solicitors) or be on site (eg to accompany creditors to identify stock) public travel costs are reimbursed. A nominal figure is shown
- Category 2 Disbursements are costs that are directly referable to the Administration but not paid to an independent third party

The total anticipated expenses is an estimate based on information at the commencement of the appointment. The estimate should therefore be treated with caution as matters are likely to change over the life of the Administration.

The above costs exclude VAT

Appendix 8

Statement of Creditors Rights

STATEMENT OF CREDITORS RIGHTS

Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)

Section or paragraph numbers refer to Insolvency Act 1986

If you require a copy of any relevant rule or section please contact Callum O'Brien at
Callum.O'Brien@duffandphelps.com

This notice is accompanied by the Joint Administrators' Statement of Proposals

Information for creditors on remuneration and disbursements of administrators

Information regarding the fees and disbursements of administrators including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called 'A Creditors' Guide to Administrators' Fees'. This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/creditor-guides-and-employee-fact-sheets>

(click on the document 'Administration (appointment from 1 October 2015)'. Should you require a copy please contact this office)

Creditors may requisition a decision to be made by all of the creditors for approval of the Joint Administrator's Proposals under para 52(2) Schedule B1 Insolvency Act 1986

The Joint Administrators shall seek a decision from the Company's creditors as to whether they approve the proposals if requested by creditors of the Company whose debts amount to at least 10% of the total debts of the Company. Such a request must be received by the Joint Administrators within 8 business days of the date on which the Joint Administrator's statement of proposals is delivered.

The request for a requisitioned decision must include a statement of the purpose of the proposed decision and either—

(a) a statement of the requesting creditor's claim together with—

- a list of the creditors or contributories concurring with the request and of the amounts of their respective claims or values; and
- confirmation of concurrence from each creditor, or

(b) a statement of the requesting creditor's debt and that that alone is sufficient without the concurrence of other creditors.

Creditor/s may be requested to meet the costs of a requisitioned decision and a deposit will be required for this purpose. These costs may be ordered to be paid as an expense of the Administration if the creditors so resolve.

A requisitioned decision must be made within 28 days of receiving the deposit or the expiry of 14 days without the Administrator informing the requesting creditor of the deposit sum.

Appendix 9

Summary of Charges Registered at Company House

Mederco (Glasgow) Ltd

Lender	Charge	Date of Creation	Date Delivered	Charge Code
Saving Stream Security Holding Limited, a Trading Division of Lendy Limited	Fixed & Floating Charge - All properties acquired by the company in the future and all present and future interests of the company in, or over, freehold or leasehold property; all the company's present and future patents, trade marks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights.	05 April 2017	06 April 2017	0932 7339 0001
Saving Stream Security Holding Limited, a Trading Division of Lendy Limited	0 11 hectares of ground surrounded by st margaret's place jocelyn square mart street and bridgewater glasgow t/no GLA131760.	10 April 2017	19 April 2017	0932 7339 0002
Saving Stream Security Holding Limited, a Trading Division of Lendy Limited	0.11 hectares of ground surrounded by st margaret's place jocelyn square mart street and brdgewater glasgow t/no GLA131760	10 April 2017	26 April 2017	0932 7339 0003

Appendix 10

Proof of Debt Form

PROOF OF DEBT - GENERAL FORM

Mederco (Glasgow) Ltd - In Administration Company No. 09327339		
Date of Administration: 17 January 2019		
1	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)	
2	Address of Creditor for correspondence <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Contact telephone number of creditor</div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Email address of creditor</div>	REF
3	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim any deduction under R14 20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14 24 and R14 25	
4	Details of any documents by reference to which the debt can be substantiated (please attach)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held the value of the security and the date it was given	
8	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES / NO
	Position with or in relation to creditor Address of person signing (if different from 2 above)	
Admitted to vote for £		Admitted for dividend for £
Date		Date
Administrator		Administrator