

In the matter of

**Morgan Walker Solicitors LLP In Liquidation
(‘the Partnership’)**

Joint Liquidators' progress report

19 May 2016

**Duncan Beat and Nigel Fox
Joint Liquidators**

**RSM Restructuring Advisory LLP
Highfield Court
Tollgate
Chandlers Ford
Eastleigh SO53 3TY**

THURSDAY



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19/05/2016
COMPANIES HOUSE

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1 Purpose of report

This report has been prepared in accordance with insolvency legislation to provide creditors and members of the Partnership with information relating to the progress of the liquidation in the period from 29 March 2015 to 28 March 2016. 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 statutory requirements of Rule 4.49B of the Insolvency Rules 1986 (as amended). The purpose of the report is to provide creditors and members with information relating to the progress of the Winding Up in the period from 29 March 2015 to 28 March 2016. It has not been prepared for use in respect of any purpose, or to inform any investment decision in relation to any debt or financial interest in the Partnership. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

RSM Restructuring Advisory LLP was previously named Baker Tilly Restructuring and Recovery LLP until 26 October 2015.

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.

2 Joint Liquidators' appointment

Duncan Beat and Trevor John Binyon of RSM Restructuring Advisory LLP, Highfield Court, Tollgate, Chandlers Ford, Eastleigh SO53 3TZ were appointed Joint Liquidators of Morgan Walker Solicitors LLP on 29 March 2011 by the Secretary of State.

As a result of Trevor Binyon leaving the firm, he was removed as Joint Liquidator by Court Order dated 17 July 2013 and Nigel Fox (IP No 8891) of RSM Restructuring Advisory LLP was appointed in his place.

3 Receipts and payments summary

We attach as Appendix B a summary of our receipts and payments for the period from 29 March 2015 to 28 March 2016.

VAT basis

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

4 Creditors' claims

Creditors' claims as set out in the Estimated Financial Position totalled £410,451. To date I have received claims totalling £638,078.

4.1 Dividend prospects for creditors

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix A, 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.

In accordance with Rules 4.186 and 11.7 of the Insolvency Rules 1986 no dividend will be distributed as insufficient funds have been realised.

4.2 Prescribed part

The 'Prescribed Part' is a statutory amount of the Partnership's assets subject to a floating charge to be set aside for the benefit of the Partnership's non-preferential creditors.

There are no creditors secured by charges over the assets and undertakings of the Partnership. 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).

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

5.1 Transfer of Title as Security Agent

Prior to liquidation, the partners acted as security agents for a number of entities who held financial instruments with ICICI Bank Limited ("ICICI") ICICI have approached the Joint Liquidators to arrange the assignment, or similar, of the security agent function. The liquidation will remain open until this process has been completed and it is currently ongoing.

5.1 Investigations

I can advise you that, following my initial assessment, further investigations were undertaken. However, due to the bankruptcy of the director, it is unlikely that any recoveries can be made.

5.2 Administration and planning

Throughout the liquidation, we have undertaken regular file reviews, dealt with the receipts and payments of the Partnership, produced reports, completed Corporation Tax returns and filed statutory paperwork at Companies House.

6 Matters preventing closure

The Joint Liquidators will continue to work with ICICI to remove the Partnership as security agent for all entities that the Partnership formerly acted for.

7 Joint Liquidators' remuneration, disbursements and expenses

7.1 Basis of remuneration

The Joint Liquidators' remuneration was approved on a time cost basis by creditors on 1 June 2011.

7.2 Remuneration and Disbursements incurred in the period from 29 March 2015 to 28 March 2016

In accordance with insolvency legislation the Joint Liquidators' are required to report remuneration 'charged'. This reflects the time charged to the case and is the maximum that can be taken in fees by the Joint Liquidators. It does not necessarily reflect the amount of remuneration that will ultimately be taken by the Joint Liquidators in remuneration. If there are insufficient realisations to allow the Joint Liquidators remuneration to be recovered in full, any balance will be written off. Details of any write off will be set out in the final report.

7.2.1 Joint Liquidators' remuneration

Joint Liquidators have incurred time costs of £5,594 in respect of work done in the current period (a summary of which is set out in Appendix G). Details of the sums drawn in respect of remuneration for the period covered by this report are set out in the receipts and payments account (Appendix B).

Attached are the following:

- Appendix C RSM Restructuring Advisory LLP's Charging, Expenses and Disbursements Policy Statement
- Appendix D Joint Liquidators' Charge Out and Disbursement Rates,
- Appendix E Category 2 Disbursements Table,
- Appendix G Joint Liquidators' Time Cost Analysis for the period set out above

7.2.2 Joint Liquidators' disbursements

The basis of the Joint Liquidators' drawing disbursements was approved by creditors on 1 June 2011, when the following resolution was passed:

"That Category 2 expenses and disbursements can be charged in accordance with the Creditors' Guide to Liquidators' Remuneration and can be drawn at monthly intervals."

Disbursements incurred in the period in accordance with the resolution above are detailed on Appendix F (Statement of Expenses).

7 3 Total remuneration incurred and paid to date since appointment

The Joint Liquidators have incurred time costs of £93,002 since the date of our appointment in accordance with the resolution set out above. Of this, a total of £7,547 (plus VAT) has been paid, but some directly to RSM, and £85,455 remains outstanding.

Although the resolution approved by creditors entitles me to recover remuneration based upon time costs by reference to matters arising in the Winding Up it is unlikely that these costs will be recovered in full and will be written off.

7 4 Joint Liquidators' statement of expenses

A statement of the expenses incurred during the period, is attached at Appendix F. This includes all expenses incurred by the Joint Liquidators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period together with cumulative figures.

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

In accordance with the provisions of Rules 4.49E and 4.131 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

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 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 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 further queries please do not hesitate to contact me.



Nigel Fox
RSM Restructuring Advisory LLP
Joint Liquidator

Duncan Beat is licensed to act as an Insolvency Practitioner in the UK by the Department for Business, Innovation and Skills.
Nigel Fox 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, dividend and other information

Partnership name	Morgan Walker Solicitors LLP
Partnership number	0C312540
Court & reference	In the High Court No 5712 of 2010
Date of appointment	19 January 2011
Joint Liquidators	Duncan Beat and Nigel Fox
Functions	The Joint Liquidators' appointment specified that they would have power to act jointly and severally The Joint Liquidators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment
Date of incorporation	4 April 2005
Previous partnership names	None
Trading name	N/A
Trading address	115A Chancery Lane, London WC2A 1PR
Principal activity	Solicitors
Registered office	Highfield Court, Tollgate, Chandlers Ford, Eastleigh SO53 3TY

Dividends	Owed	Paid	Estimated future prospects
Unsecured creditors	£638,078	NIL	NIL

Receipts and Payments Abstract: 5011929 - Morgan Walker Solicitors LLP In Liquidation

Bank, Cash and Cash Investment Accounts From 29/03/2015 To 28/03/2016

SOA Value £		29/03/2015 to 28/03/2016		Total to 28/03/2016	
		£	£	£	£
ASSET REALISATIONS					
0 00	Bank Interest Gross	15 98		15 98	
0 00	Petition deposit	0 00		1,000 00	
0 00	Third Party Funds	<u>7,800 00</u>		<u>7,800 00</u>	
			7,815 98		8,815 98
COST OF REALISATIONS					
0 00	Bank Charges	0 00		(244 00)	
0 00	DTI Cheque Fees	0 00		(0 30)	
0 00	DTI Fees	0 00		(16 59)	
0 00	ISA Quarterly Charges	(88 00)		(154 00)	
0 00	Legal Fees	0 00		(3,350 00)	
0 00	Legal Fees Disbursements	0 00		(1,622 50)	
0 00	Liquidators Fees	0 00		(1,797 00)	
0 00	OR's Agents/Valuers Fees	0 00		(144 00)	
0 00	OR's Disbursements	0 00		(2,235 00)	
0 00	Tax deducted at source	<u>(3 20)</u>		<u>(3 20)</u>	
			(91 20)		(9,566 59)
<u>0 00</u>			<u>7,724 78</u>		<u>(750 61)</u>
REPRESENTED BY					
	Insolvency Services A/c			(1,793 59)	
	Third Party Funds			13 58	
	VAT Receivable (Payable)			<u>1,029 40</u>	
					(750 61)
					<u>(750 61)</u>

Notes:

Notes

- 1 The Company is VAT registered and the account is shown exclusive of VAT
- 2 Funds are held in an interest bearing account with the Insolvency Services Account

APPENDIX C

RSM Restructuring Advisory LLP

Charging, expenses and disbursements policy

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 Southampton 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 '1' disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Southampton 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 D

RSM Restructuring Advisory LLP

Joint Liquidators' current charge out and disbursement rates

HOURLY CHARGE OUT RATES	
	Current rates £
Partner	395 to 560
Directors / Associate Directors	305 to 415
Assistant Managers	225
Senior Administrators / Administrators	150 to 190
Support Staff	120

"CATEGORY 2" DISBURSEMENT RATES	
Disbursement charge	Rate
Partnership searches (Tracker)	£10 per case
File set up	£7 per file
Photocopying, scanning and faxes	10p per side of paper
Mileage	45p per mile
Room hire (internal) – London	£150 per hour
Room hire (internal) – outside London	£100 per hour
Reports to creditors and members – posted	50p per report
Reports to creditors and members – published on line	25p per report
Storage	£7 20 per box per year

Appendix E

RSM Restructuring Advisory LLP

Joint Liquidators' category 2 disbursements table

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest		
Recipient, type and purpose	Paid £	Unpaid £
None incurred in this reporting period		
Total		

Appendix F

Statement of expenses incurred by the Joint Liquidators in the period from 29 March 2015 to 28 March 2016

Type and purpose	Incurred in period £
Legal Fees – Moon Beaver	1,625 74
Total	1,625.74

SIP9 Summary Level 2

Morgan Walker Solicitors LLP

1034245 / 702 - CCLQ002 - Compulsory Liquidation/Post Ap

For the period 29/03/2015 to 28/03/2016

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
Administration and Planning										
Case Management		1.0	0.5	0.0	0.0	2.6	0.0	4.1	£ 937 40	228 63
Post-appointment - general		0.0	0.0	0.0	0.0	0.2	0.0	0.2	£ 26 00	130 00
Receipts and Payments		0.0	0.0	0.0	0.0	3.1	0.0	3.1	£ 465 40	150 13
Tax Matters		0.0	0.0	0.0	0.0	0.3	0.0	0.3	£ 32 00	106 67
Total		1.0	0.5	0.0	0.0	6.2	0.0	7.7	£ 1,460 80	189 71
Realisation of Assets										
Debtors & sales finance		0.0	0.5	0.0	0.0	0.0	0.0	0.5	£ 160 00	320 00
Total		0.0	0.5	0.0	0.0	0.0	0.0	0.5	£ 160 00	320 00
Creditors										
Other Creditor Meetings and Reports		0.5	0.6	0.0	0.0	4.6	0.0	5.7	£ 977 50	171 49
Unsecured Creditors		0.0	4.2	0.0	0.0	7.4	0.0	11.6	£ 2,306 50	198 84
Total		0.5	4.8	0.0	0.0	12.0	0.0	17.3	£ 3,284 00	189 83
Case Specific Matters - Shareholders										
Shareholders / Members		0.0	0.0	0.0	0.0	0.3	0.0	0.3	£ 39 00	130 00
Total		0.0	0.0	0.0	0.0	0.3	0.0	0.3	£ 39 00	130 00
Case Specific Matters - Legal Matters										
Legal Matters		0.0	1.3	0.0	0.0	1.8	0.0	3.1	£ 650 00	209 68
Total		0.0	1.3	0.0	0.0	1.8	0.0	3.1	£ 650 00	209 68
Total Hours		1.5	7.1	0.0	0.0	20.3	0.0	28.9	£ 5,593 80	193 56
Total Time Cost		£ 636 90	£ 2,272 00	£ 0 00	£ 0 00	£ 2,684 90	£ 0 00	£ 5,593 80		
Total Hours		1.5	7.1	0.0	0.0	20.3	0.0	28.9	£ 5,593 80	193 56
Total Time Cost		£ 636 90	£ 2,272 00	£ 0 00	£ 0 00	£ 2,684 90	£ 0 00	£ 5,593 80		
Average Rates		424 60	320 00	0 00	0 00	132 26	0 00	193 56		

NOTES TO APPENDIX G

Joint Liquidators' time cost analysis

a) Administration and planning

This includes dealing with the commencement of the case administration, statutory filing of appointment documents with Companies' House, requesting the submission of the Statement of Affairs and filing it at Companies' House, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations. These include but are not limited to handling receipts and payments, VAT and corporation tax issues such as the monthly VAT returns, pension queries and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, obtaining partnership searches, maintenance and obtaining books and records, general meetings / correspondence, statutory and other advertising, insurance, re-directed mail, statutory receipts and payments accounts, dealing with (including the winding up of) partnership pension schemes where applicable.

b) Realisation of assets

This includes dealing with all aspects of the realisation of assets including identifying, securing and insuring assets, and (where applicable), property, business and asset sales, retention of title claims and debt collection. Other matters dealt with during the case administration which will relate to asset realisation may commonly include effecting disclaimers, dealing with landlords, liaising with agents, undertaking inventories, meetings with purchasers / directors, arranging collection of leased assets, obtaining insurance, pursuing antecedent claims identified as part of the investigation work set out above. Details of the specific asset realisation work undertaken on this case are set out in the main body of the report. Asset realisation is considered to be a key aspect of the case administration.

c) Creditors

Queries from and correspondence with creditors and employees have been necessary aspects of the case administration process. The preparation of the Joint Liquidators' proposals has been undertaken including the attendant aspects of providing and obtaining the required information, convening the creditors' meeting etc. A brief report on the outcome of the creditors' meeting and the report on the first six months of the administration period have both been prepared.

d) Case specific matters

Any case specific matters will generally be set out in the body of the report but will commonly include meetings, correspondence and telephone calls relating to specific issues in the case which do not fall into any of the categories set out above and are specific to the case in question. This may include work done in relation to litigation, general advice or other major issues.