

MAIN REALISATIONS LIMITED

DOCUMENTS FOR CREDITORS AND MEMBERS

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MAIN REALISATIONS LIMITED – IN CREDITORS’ VOLUNTARY LIQUIDATION

LIQUIDATOR’S PROGRESS REPORT TO CREDITORS FOR THE YEAR ENDING 24 JUNE 2022

STATUTORY INFORMATION

Registered name of Company	Main Realisations Limited
Company number	05870206
Former registered name	S F Logistics Limited Mainland Car Deliveries Limited
Trading names or styles	Main Realisations Limited
Current registered office	Popeshead Court Offices, Peter Lane, York YO1 8SU
Former registered office	6th Floor 3 Hardman Street Manchester M3 3AT
Principal trading address	6Th Floor 3 Hardman Street Manchester M3 3AT
Principal trading activity	Freight transport by road
Liquidator’s name, firm name, address and contact information	Andrew Jeremy Wood [16072] of Silva Insolvency & Recovery Services Limited, Popeshead Court Offices, Peter Lane, York YO1 8SU jwood@silva-irs.com 01904 238114
Actions of Joint Liquidators’	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both Liquidator acting jointly or alone.
Previous Liquidator details Haslers Old Station Road, Loughton, Essex IG10 4PL	Richard Hooper Appointed 25/06/2010 Removal 15/04/2016 Nicholas Nicholson Appointed 25/06/2010 Removal 29/03/2022 Stratford Hamilton Appointed 15/04/2016 Removal 13/10/2017 Dominic Dumville Appointed 13/10/2017 Removal 16/01/2020
Reporting period start date	25 June 2021
Reporting period end date	24 June 2022

BACKGROUND

The Company entered Administration on 12 October 2009 and was placed into Creditors’ Voluntary Liquidation on 25 June 2010. Joint Liquidators were appointed on the same day.

LIQUIDATOR’S ACTIONS SINCE THE LAST REPORT

I was appointed as Liquidator with effect from 29 March 2022 following a Block Transfer order.

A potential claim had been identified in relation to the financing of the company's trucks. £5,000 has been received to purchase that claim and further funds are expected if the claim is successful. Since my appointment I have continued to liaise with the purchasers as to the progress of the case.

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is contained in Appendix 1.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account showing the reporting period from 25 June 2021 to 24 June 2022 is enclosed. All amounts are shown net of VAT. I have reconciled the account against the financial records I am required to maintain. The balance of funds is held in an interest-bearing estate bank account.

ASSETS

Purchase of truck claim

The company had potential claims in respect of historic financing of the company's trucks. The previous liquidator sold these claims to a litigation funder, Manolete Partners plc. To date, £5,000 has been paid into the liquidation estate in relation to the purchase of those claims. The sale agreement included payment of the liquidator's time costs in assisting with the claim and will not, therefore, result in any additional costs to the estate.

The claim being brought by Manolete relates to a price fixing cartel operated by a number of truck manufacturers who have already been fined over £3.4 billion by the European Commission. Manolete are running a "class action" in relation to this illegal overcharging.

A test case in connection with the truck claims is currently being heard in court. I had a recent update from Manolete advising of their intention to issue their claim in the High Court in July 2022. It is expected that the position may be resolved during the coming reporting period.

LIABILITIES

Secured creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case the prescribed part rules do not apply.

Preferential creditors

The statement of affairs anticipated no preferential creditors and no claims have been received.

Crown creditors

The Statement of Affairs did not include an amount due to HMRC. However, a claim of £2,497,174.89 has been received.

Unsecured creditors

The Statement of Affairs showed some negative balances and comparing this to information provided by the former Administrators, the actual amount due to creditors at the date of the Statement of Affairs was £792,132.00. To date I have received claims in the sum of £335,930.59.

DIVIDEND PROSPECTS

Secured creditors

There are no secured creditors in this matter. BDO, the former administrators, claimed the monies recovered in relation to pre-liquidation insurance claims under the terms of their paragraph 99 charge. A payment has accordingly been made to BDO.

Unsecured creditors

The prospect of a dividend being paid to unsecured creditors largely depends on the quantum of recoveries into the estate. It is possible that a dividend could be paid to creditors in due course if the litigation in relation to the truck claims is successful; albeit the timing of this is likely to be protracted and the quantum of any recovery uncertain.

INVESTIGATION INTO THE COMPANY'S AFFAIRS

Investigations into the affairs of the Company resulted in the opinion that a claim should be brought against the Company's directors for wrongful trading in accordance with Section 214 of the Insolvency Act 1986. Section 214 applies to a person if a company has gone into insolvent liquidation and if at some time before the commencement of the winding up that person knew or ought to have concluded that there was no reasonable prospect that the company would avoid going into insolvent liquidation and was a director of the company at that time.

Legal advisors confirmed that a case could be made against the company's directors in relation to Section 214 and that there was a good prospect of success. As previously reported, there are no funds within the liquidation estate and my legal advisers are acting on a Conditional Fee Arrangement and will continue to do so.

Following extensive legal advice on the issues in the case, that matter went to trial in July 2017. Unfortunately, the decision of the Court was to rule in favour of the Directors and accordingly there will be no recoveries from this source. The adverse costs were not borne by the estate as they were covered by ATE insurance. Counsel and solicitors were also acting on Conditional Fee Arrangements and likewise their costs were not borne by the estate.

LIQUIDATORS' REMUNERATION

My remuneration was approved on a time cost basis. Schedules of my time costs incurred to date, and in the period since 25 June 2021 are enclosed.

From	Appointment	Reporting period start date
To	Reporting period end date	Reporting period end date
Time costs (£)	200,422.98	1,954.50
Total hours	727.7	8.2
Average charging rate	275.42	238.35
Remuneration drawn	-	-

LIQUIDATORS' EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and

- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

From	Appointment	Reporting period start date
To	Reporting period end date	Reporting period end date
Expenses accrued/incurred (including professional fees) (£)	116,522.57	-
Expenses drawn (£)	2,809.14	-
Expenses still to be paid (£)	113,713.43	-

For a breakdown of expenses incurred and drawn both cumulatively and in the reporting period please refer to note 2 to the receipts and payments account.

For a breakdown of category 1 disbursements incurred and drawn both cumulatively and in the reporting period please refer to note 3 to the receipts and payments account.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Joint Liquidators' remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

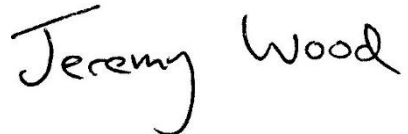
An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Information available	Web address
Silva Insolvency & Recovery Services Ltd's fee policy	www.silva-irs.com/useful-information
Information to comply with the Provision of Services Regulations, some general information about Silva Insolvency & Recovery Services Ltd, including about our complaints policy and Professional Indemnity Insurance	www.silva-irs.com/useful-information
R3 (the Association of Business Recovery Professionals) have published further information about creditors' rights at their micro-site.	www.creditorinsolvencyguide.co.uk
A copy of 'A Creditors Guide to Liquidator' Fees' published by R3. <i>Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2010 version.</i>	www.icaew.com/technical/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides

SUMMARY

The Liquidation will remain open until the Manolete litigation has been fully resolved. I estimate that this will take approximately 12 months and once resolved the Liquidation will be finalised and the file will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Andrew Jeremy Wood on 01904 238114, or by email at jwood@silva-irs.com.

A handwritten signature in black ink that reads "Jeremy Wood". The signature is written in a cursive style with a large, looped 'J' and 'W'.

JEREMY WOOD
LIQUIDATOR

LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT TO 24 JUNE 2022

From To	SoA	25/06/2010	25/06/2021	Total
		24/06/2021	24/06/2022	24/06/2022
	£	£	£	£
RECEIPTS				
Insurance Claims		7,709.61	-	7,709.61
Surplus from previous appointees		103.60	-	103.60
Purchase of Truck Claim		5,000.00	-	5,000.00
Bank Interest Gross		114.48	0.02	114.50
	-	12,927.69	0.02	12,927.71
PAYMENTS				
Specific Bond		5.00	-	5.00
Former Administrators Fees		6,773.36	-	6,773.36
Office Holders Expenses		2,804.14	-	2,804.14
Corporation Tax		107.87	-	107.87
VAT		276.15	-	276.15
		9,966.52	-	9,966.52
Net Receipts/(Payments)		2,961.17	0.02	2,961.19
MADE UP AS FOLLOWS				
Vat Receivable		1,639.35 -	1,639.35	-
Barclays Bank PLC		-	2,961.19	2,961.19
Metro Bank		1,321.82 -	1,321.82	-
		2,961.17	0.02	2,961.19

Liquidator

Andrew Jeremy Wood

NOTES TO THE RECEIPTS AND PAYMENTS ACCOUNT

1. VAT is recoverable.
2. Expenses – further information

Expenses Type	Cumulative		Reporting period	
	£ Incurred	£ Drawn	£ Incurred	£ Drawn
Legal Fees	108,947.75			
Legal Disbursements	4,765.68			
Specific Bond	5.00	5.00	-	-
Disbursements – cat. 1	2,804.14	2,804.14	-	-
Total expenses	116,522.57	2,809.14	-	-

3. Office holder disbursements – further information

Disbursements - category 1 Type	Cumulative		Reporting period	
	£ Incurred	£ Drawn	£ Incurred	£ Drawn
Land Registry	144.00	144.00	-	-
Legal Fees	44.00	44.00	-	-
Search Agent Fees	1,230.00	1,230.00	-	-
Specific Bond	25.00	25.00	-	-
Stationary & Postage	224.65	224.65	-	-
Statutory Advertising	95.73	95.73	-	-
Travel	1,040.76	1,040.76	-	-
Total disbursements - cat. 1	2,804.14	2,804.14	-	-

APPENDIX 1: ROUTINE WORK UNDERTAKEN IN REPORTING PERIOD1. Administration**ADMINISTRATION**

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Supervising the work of advisors instructed on the case to assist in dealing with pension schemes; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.
- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holder's estate bank account.
- Maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing Corporation Tax returns.

CREDITORS

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

APPENDIX 2: TIME COSTS ANALYSIS IN REPORTING PERIOD

Classification of work function	ACTUAL							
	HOURS					Total hours	£ Time cost	€/HOUR Average hourly rate
	Office Holder	Manager	Admininstrator	Administrator	Snr			
Administration and planning								
Case planning			0.7		1	1.7	318.00	187.06
Maintenance of records			0.5	1.9		2.4	530.50	221.04
Statutory reporting	0.5		1.1	1.2		2.8	841.00	300.36
	0.5	2.3		3.1	1.0	6.9	1689.50	244.86
Creditors								
Communication with creditors					0.3	0.3	45.00	150.00
	-	-	-	-	0.3	0.3	45.00	150.00
Investigations								
Investigating Antecedent Transactions	0.2		0.2		0.3	0.7	166.00	237.14
	0.2		0.2		0.3	0.7	166.00	237.14
Realisation of assets								
Identifying, securing, insuring assets					0.1	0.1	15.00	150.00
Property, Business and Asset Sales				0.2		0.2	39.00	195.00
	-	-		0.2	0.1	0.3	54.00	180.00
Total hours	0.7	2.5	3.3	1.7		8.2	1954.50	238.35
Total fees claimed (£)							£ 1,954.50	

APPENDIX 3: TIME COSTS ANALYSIS - TOTAL TO REPORTING DATE

Classification of work function	ACTUAL								
	HOURS					Total hours	£ Time cost	€/HOUR Average hourly rate	
	Office Holder	Manager	Administrator	Administrator	Snr				
Administration and planning									
Administ & Planning	15.6		6.2		10.2	31.95	8,731.00	273.27	
Administrative Set-up			0.3			8.9	9.2	824.50	89.62
Appointment Notification						5.9	5.9	472.00	80.00
Case planning	6.2		19.9	0.8	32.4	59.2	13,304.91	224.68	
Case specific			1.7			1.7	544.00	320.00	
INS Cashiering				0.1	16.4	16.5	1,881.15	113.78	
Maintenance of records	3.1		12.4	7.9	15.7	39.1	9,314.92	238.54	
Statutory reporting	4.5		23.8	13.8	22.1	64.2	15,178.50	236.43	
	29.4	64.3		22.6	111.5	227.75	50,250.98	220.64	
Creditors									
Creditors			1.3			1.3	292.50	225.00	
Communication with creditors	0.5		13.1	0.9	31.4	45.85	8,880.75	193.69	
Creditors' claims			2.5	1.5	21.5	25.5	4,078.00	159.92	
	0.5	16.9		2.4	52.9	72.65	13,251.25	182.40	
Investigations									
CDDA reports	0.8		8.3			9.05	2,163.75	239.09	
Investigating Antecedent Transactions	62.3		328.4		6.4	397	128,698.25	324.18	
Investigations	4.8		1.4			6.15	2,331.25	379.07	
SIP 2 review			2.7		2.6	5.3	993.50	187.45	
	67.8	340.8		-	9.0	417.5	134,186.75	321.41	
Realisation of assets									
Debt collection			1.5		0.7	2.15	560.25	260.58	
Identifying, securing, insuring assets	1.8				2.4	4.15	1,110.25	267.53	
Property, Business and Asset Sales			2.2	0.2	0.2	2.6	771.00	296.54	
Realisation of Assets			0.9			0.9	292.50	325.00	
	1.8	4.6		0.2	3.3	9.8	2,734.00	278.98	
Total hours	99.4	426.5	25.2	176.6		727.7	200,422.98	275.42	
Total fees claimed (£)							£ 200,422.98		