

The Insolvency Act 1986

# Administrator's progress report

Name of Company CIC Limited	Company number 02463674
In the High Court of Justice <small>[full name of court]</small>	Court case number 8279 of 2013

(a) Insert full name(s) and address(es) of administrator(s)

We (a) Michael Solomons and Andrew Pear  
of BM Advisory LLP, 82 St John Street, London, EC1M 4JN

Joint Administrator(s) of the above company attach a progress report for the period


from

to

(b) 25 June 2013

(b) 24 December 2013

(b) Insert dates

Signed   
Michael Solomons

Dated 21/1/14

### Contact Details

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Adam Boyle	
BM Advisory LLP	
82 St John Street, London, EC1M 4JN	Tel 020 7549 2932
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at  
Companies House, Crown Way, Cardiff, CF14 3UZ      DX 33050 Cardiff



TUESDAY

## SIX MONTH PROGRESS REPORT

Corporate Advisory & Restructuring

## TO THE MEMBERS AND ALL KNOWN CREDITORS

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Our ref AB/CIC001MS

22 January 2014

Dear Sirs

### **CIC Limited - In Administration ("the Company")**

Company Number: 02463674

High Court of Justice No. 8279 of 2013

Michael Solomons and Andrew Pear of BM Advisory LLP of 82 St John Street, London, EC1M 4JN were appointed Joint Administrators of the Company on 25 June 2013 by the director of the Company. The Notice of Appointment was filed in the High Court of Justice under reference number 8279 of 2013.

The purpose of this report is to provide creditors with an account of the progress of the administration, in accordance with Rule 2.47 of the Insolvency Rules 1986.

This report should be read in conjunction with my earlier reports to creditors dated 1 July 2013 and 16 August 2013.

### **STATUTORY INFORMATION**

Attached as *Appendix 1* are the statutory details of the Company as filed at Companies House.

### **PROGRESS OF THE ADMINISTRATION**

As detailed in my previous report, the purpose of the administration was to rescue the Company as a going concern. The purpose would be achieved through attaining the retentions due to the Company.

### **CONDUCT OF THE ADMINISTRATION**

Further to my last report, I am continuing to investigate the viability and quantum of the retentions due to the Company which are still disputed by Mivan Limited.

Accordingly, I am in the process of instructing a Quantity Surveyor to review the claim on a contingency fee basis.

### **JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

There have been no receipts or payments during the administration.

## **CREDITOR CLAIMS**

### **SECURED CREDITORS**

NatWest Bank Plc holds four registered charges over the assets of the Company, including a charge of deposit (registered on 27 April 2011), charge over credit balances (registered on 1 September 2000), mortgage debenture (registered 12 January 1996) and a charge over credit balances (registered 2 September 1991) The sum of £61,385 36 is currently owed to NatWest Bank

### **PREFERENTIAL CREDITORS**

There are no preferential creditors

### **UNSECURED CREDITORS**

#### **Trade and Expense Creditors**

The Company's accounting records indicate that the Company has trade and expense creditors totalling £59,718

### **DIVIDEND PROSPECTS**

Should the retention monies be paid to the Company, it is likely that unsecured creditors will be paid in full However, the final position will depend on the level of recovery from the retentions A Proof of Debt form is therefore attached at **Appendix 2** for the purpose of lodging your claim

### **PRESCRIBED PART**

The Prescribed Part Fund is created out of the Company's net floating charge property pursuant to Section 176A of the Act, as long as the floating charge was registered later than 15 September 2003

However, as NatWest's floating charge was registered prior to 15 September 2003, the prescribed part does not apply.

### **JOINT ADMINISTRATORS' PRE-ADMINISTRATION COSTS**

No pre-appointment costs have been paid from the administration

### **JOINT ADMINISTRATORS' REMUNERATION**

The Joint Administrators' proposals were deemed approved on 29 August 2013. It was agreed that the Joint Administrators be remunerated by reference to time properly spent by them and their staff in attending to matters arising from the administration of the Company pursuant to rule 2.106(2)(b) of the Rules. The secured charge holder has also provided consent to the Joint Administrators' fee approval

Since the administration commenced, a total of 42.10 hours has been spent at a cost of £8,312, which results in an average hourly charge out rate of £197. No time was drawn against these time costs

Included within this report, is **Appendix 3** being a schedule of time costs to date together with BM Advisory LLP's policy on fees

Creditors will find a guide to Administrators' fees on the following website  
[http://www.r3.org.uk/media/documents/publications/professional/Guide\\_to\\_Administrators\\_Fees.pdf](http://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees.pdf)

I have also incurred the following category 1 disbursements which totals £522 These costs remain outstanding

	<b>£</b>	
Statutory Advertising	64	Category 1
Bonding	330	Category 1
Printing and Postage	128	Category 1 & 2
<b>Total</b>	<u><b>522</b></u>	

Under rule 2.48 of the Rules any secured creditor or unsecured creditor with concurrence of at least 5% in value of the total unsecured creditors may request further information in respect of the Administrators remuneration and expenses which must be sent in writing to the Administrators within 21 days of receipt of this progress report Any secured creditor or unsecured creditor with at least 10% in value of the total unsecured creditors is entitled to challenge the remuneration and expenses under rule 2.109 of the Rules which must be sent in writing to the Administrators within 8 weeks of receipt of this progress report

### **CREDITORS COMMITTEE AND INVESTIGATIONS**

No creditor committee was requested to be formed

An investigation into the affairs of the Company and the conduct of the director has been undertaken and the outcome reported accordingly

### **COMPLAINTS PROCEDURE**

BM Advisory strives to provide a first class service to all of its clients and we are committed to a process of continuous improvement As such should you have any comments or complaints regarding this matter you should contact me in the first place at the address on the front of this letter

Should you consider that we have not dealt with your comments appropriately you may request we perform an internal independent review of your complaint This review would be undertaken by a person within BM Advisory not involved in the assignment and would be co-ordinated by the Complaints Partner, Paul Ashton, who is contactable at this office.

If you do not receive a satisfactory response then you may be able to make a complaint to my regulatory body, via the complaints Gateway operated by the Insolvency Service The contact details for the Gateway are by email [ip\\_complaints@insolvency.gsi.gov.uk](mailto:ip_complaints@insolvency.gsi.gov.uk), by phone 0845 602 9848 (call charges apply) or by post The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA. Further information on the Gateway can be found at <http://www.bis.gov.uk/insolvency/contact-us/IP-Complaints-Gateway>

### **FURTHER INFORMATION**

Should you require any further information, please do not hesitate to contact Adam Boyle on 020 7549 2932

Yours faithfully  
**For and on behalf of  
CIC Limited**

  
**Michael Solomons**  
Joint Administrator

## CIC Limited

### Statutory Information

Company Number	02463674
Date of Incorporation	26 January 1990
Nature of Business	Marble and Granite Contractors
Trading Address	Westminster House 35 Pensbury Place Wandsworth Road London SW8 4TR
Registered Office	82 St John Street London EC1M 4JN
Changed from	Westminster House, 35 Pensbury Place, Wandsworth Road, London, SW8 4TR
Directors	The directors of the Company over the last 3 years are detailed below
	Yahya Mirjan 26/01/1992 to date
Company Secretary	Yahya Mirjan 26/01/1992 to date
Share Capital	The Company's authorised share capital consists of 100 ordinary shares with a nominal value of £1 each
	Shareholdings as follows
	Yousif Mirjan 3,000 Ordinary Shares
	Yahya Mirjan 3,000 Ordinary Shares
Registered charges	NatWest Bank Plc Charge of Deposit Created 21/04/2011 Registered 21/04/2011
	NatWest Bank Plc Charge Over Credit Balances Created. 21/08/2000 Registered. 01/09/2000
	NatWest Bank Plc Mortgage Debenture Created 27/12/1995 Registered: 12/01/1996
	NatWest Bank Plc Charge Over Credit Balances Created. 23/08/1991 Registered 02/09/1991
Related entities	None

**PROOF OF DEBT - GENERAL FORM****CIC LIMITED – IN ADMINISTRATION**

1	Name of Creditor (If a company please also give company registration number)	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation	£
4	Details of any document by reference to which the debt can be substantiated [Note the Liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show -  (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category  Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

CIC Limited - In Administration  
 Joint Administrators' Time Costs  
 For the Period  
 25 June 2013 to 24 December 2013

Classification of Work	Hours by Staff Grade						Grand Total	Total Cost £	Average Hrfy Rate £
	Partner	Manager	Case Administrator	Junior Administrator					
Administration and Planning									
Work Analysis									
Admin & Planning	1.10	0.30	1.20	0.40		3.00	741.00	247.00	
Case Accounting	0.00	0.00	1.40	0.00		1.40	252.00	180.00	
Partner Review	0.30	0.00	0.00	0.00		0.30	114.00	380.00	
Asset Realisation	0.00	0.00	10.70	0.00		10.70	1,926.00	180.00	
Debt Collection	1.80	0.40	0.40	0.00		2.60	872.00	335.38	
Creditors	0.30	0.00	2.00	0.00		2.30	474.00	206.09	
Investigation	0.00	0.00	3.50	0.00		3.50	630.00	180.00	
Legal and Litigation	0.00	0.00	2.60	0.00		2.60	468.00	180.00	
Statutory Compliance	0.00	0.30	7.40	0.00		7.70	1,419.00	184.29	
Statutory Reporting	0.00	0.00	6.30	0.00		6.30	1,134.00	180.00	
Employees	0.00	0.00	1.70	0.00		1.70	282.00	165.88	
<b>Grand Total</b>	<b>3.50</b>	<b>1.00</b>	<b>37.20</b>	<b>0.40</b>		<b>42.10</b>	<b>6,312.00</b>	<b>197.43</b>	

## **BM ADVISORY LLP**

### **STATEMENT OF POLICY ON FEES IN INSOLVENCY PROCEEDINGS**

#### **Introduction**

This statement has been prepared in accordance with guidelines set out in Statement of Insolvency Practice 9 issued by the Association of Business Recovery Specialists (R3) as at 1 August 2005

The following information applies to all appointments of partners or staff of BM Advisory LLP, to act as any of the following -

Liquidator, Receiver, Administrator or Administrative Receiver of a Limited Company or Limited Liability Partnership  
Trustee in Bankruptcy  
Supervisor of an Individual, Company or Partnership Voluntary Arrangement  
Administrator under the Insolvent Estates Order

When acting as Nominee, the provisions of the Insolvency Act 1986 require that the amount of the fees payable to the Office Holder be specified within the Debtor's proposals. Such fees will nevertheless be fixed to take account of the Office Holder's expected time costs arising as referred to below

#### **Policy on fees**

Unless otherwise fixed in accordance with the Insolvency Act 1986, an Office Holder's fees are charged by reference to time costs, as incurred, charged at the firm's usual rates applicable at the time the work is carried out. Rates may be varied from time to time, at the sole discretion of BM Advisory LLP, and such changes will be notified in retrospect with each report to Creditors. It is the policy of BM Advisory LLP to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum.

As at 1<sup>st</sup> March 2012 the rates applicable are

Grade	£
Partner	380
Associate	350
Manager	290
Assistant Manager	270
Senior Administrator	220
Administrator	180
Junior Administrator	125
Cashier	110
Support staff	80

Rates vary between individuals, reflecting experience and qualification. For certain more complex tasks, BM Advisory LLP may seek to apply a higher rate in respect of work undertaken, but subject to prior authorisation in accordance with the Act.

For further information on the manner in which an Office Holder's fees may be fixed, please refer to the attached guidance notes in relation to fees.

#### **Disbursements**

Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the case or BM Advisory LLP, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the case. These disbursements are recoverable in full from the case without the prior approval of creditors either by a direct payment from the case or, where BM Advisory LLP has made payment on behalf of the case, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage and specific bond insurance.

Category 2 expenses are incurred by BM Advisory LLP and recharged to the case, they are not attributed to the case by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the case, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, internal room hire and internal storage.

It is proposed that the following Category 2 disbursements are recovered by BM Advisory LLP

Meeting room hire	£200 00
Creditor portal (per report)	£10
Postage	£0 44 - £1 24
Mileage (per mile)	£0 45
Photocopies (per sheet)	£0 15
Storage (per box per month)	£0 35

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.