

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



A7XQ3PA8
 23/01/2019 #337
 A13 COMPANIES HOUSE

1 Company details

Company number	0 7 0 2 2 4 1 5
Company name in full	KFC Realisations Limited (Formerly Key Financial Claims Limited)

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

2 Liquidator's name

Full forename(s)	Daniel James Mark
Surname	Smith

3 Liquidator's address

Building name/number	PO Box 500
Street	2 Hardman Street
Post town	Manchester
County/Region	
Postcode	M 6 0 2 A T
Country	

4 Liquidator's name

Full forename(s)	Matthew James
Surname	Cowlshaw

Other liquidator
 Use this section to tell us about another liquidator.

5 Liquidator's address

Building name/number	Four Brindleyplace
Street	Birmingham
Post town	B1 2HZ
County/Region	
Postcode	
Country	

Other liquidator
 Use this section to tell us about another liquidator.

LIQ03
 Notice of progress report in voluntary winding up


6 Period of progress report

From date	^a 0 ^d 6	^m 1 ^m 2	^y 2 ^y 0 ^y 1 ^y 7	
To date	^a 0 ^d 5	^m 1 ^m 2	^y 2 ^y 0 ^y 1 ^y 8	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
---	--

8 Sign and date

Liquidator's signature	Signature <input checked="" type="checkbox"/>  <input checked="" type="checkbox"/>			
Signature date	^a 2 ^d 2	^m 0 ^m 7	^y 2 ^y 0 ^y 1 ^y 9	

LIQ03

Notice of progress report in voluntary winding up

 **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 **Wendy Packwood**

Company name **Deloitte LLP**

Address **PO Box 500**

2 Hardman Street

Post town **Manchester**

County/Region

Postcode **M 6 0 2 A T**

Country

DX

Telephone **+44 121 632 6000**

 **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 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

Deloitte.

KFC Realisations Limited (formerly Key Financial Claims Limited) (In Liquidation) ("KFC" or "the Company")

Court Case No. 3192 of 2015
High Court Of Justice, Chancery
Division, Manchester District
Registry
Company Number: 07022415

Registered Office: c/o Deloitte
LLP, Four Brindleyplace,
Birmingham, B1 2HZ






Progress report to creditors for the 12 month period to 5 December 2018 pursuant to Section 104A Insolvency Act 1986 and Rule 18.7 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

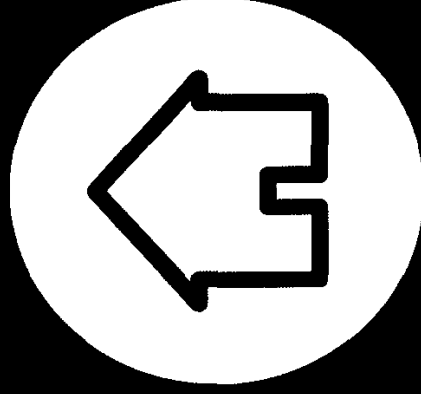
Daniel James Mark Smith and Matthew James Cowlishaw ("the Joint Liquidators") were appointed Joint Liquidators of the Company following cessation of the administration on 6 December 2017. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of Section 231 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Liquidators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

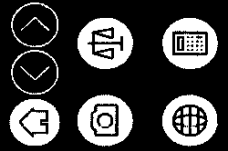
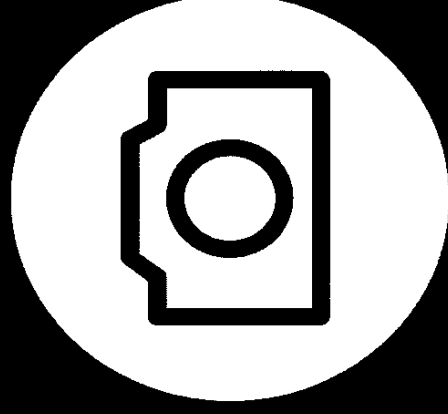
Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

21 January 2019

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Key messages



Key messages

Joint Liquidators of the Company

Daniel James Mark Smith and
Matthew James Cowlshaw

Deloitte LLP

Four Brindleyplace
Birmingham
B1 2HZ

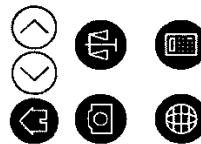
Contact details

Email: wpackwood@deloitte.co.uk

Website: <http://www.deloitte->

insolvencies.com/keyfinancialclaim
limited

Tel: 0121 696 8661



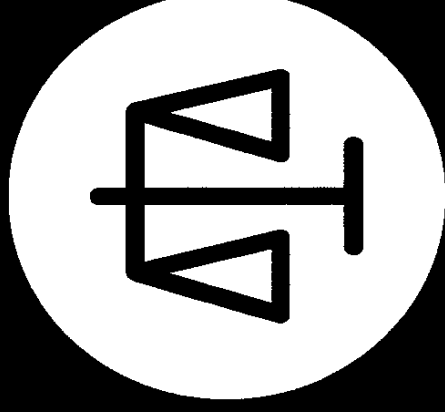
	Commentary
Progress of the liquidation during the report period	<ul style="list-style-type: none">• The Company moved from administration to creditors' voluntary liquidation on 6 December 2017 to enable pipeline commissions to continue to be collected and to allow a distribution to be made to unsecured creditors in due course. Funds of £196k were transferred from the Administration.• The Company is entitled to receive 10% of Family Money Saver's ("FMS") revenue from collecting commissions from customer contracts in relation to the KFC pipeline, and 2.5% of FMS' own pipeline. During the period realisations of c.£35k and c.£3k have been received respectively.• Following receipt of the final commission payment, expected January 2019, we will commence preparations to issue a notice of intended dividend to be sent to unsecured creditors.
Costs	<ul style="list-style-type: none">• The basis of our remuneration has been fixed in the preceding administration by reference to time costs as set out in the fees estimate on Pages 10-11.• Our time costs for the period of the report are £11,616. Our total time costs to 5 December 2018 are £250,622 made up of 742.0 hours at an average charge out rate of £337.80 across all grades of staff, thus we have exceeded our original fee estimate of £214,951, however the Joint Liquidators do not intend to draw remuneration above the agreed fee estimate. To date we have drawn remuneration of £175,000 in the preceding administration and £25,000 in the liquidation (plus VAT).• Disbursements of £401 have been incurred in the report period which is in line with our initial estimate. Please refer to Page 12 for further details.• No third party costs have been incurred in the report period.
Outstanding matters	<ul style="list-style-type: none">• Finalise collection of commissions.• Distribute to unsecured creditors.• Closing formalities.
Dividend prospects	<ul style="list-style-type: none">• Secured creditors - The Company has no secured creditors• Preferential creditors have been paid in full.• Unsecured creditors - A distribution will be available to the unsecured creditors and a notice will be issued shortly.



Progress of the liquidation

Summary 5

Receipts and payments 6



Progress of the liquidation Summary

Progress of the liquidation

Cash from the administration

Cash of c.£196k was transferred to the liquidation from the preceding administration bank account.

Book debts

We have collected book debt totalling £31 during the period.

Pipeline commissions

During the liquidation period realisations of c.£35k and c.£3k have been received for the KFC pipeline and FMS pipeline respectively.

Due to diminishing levels of the commissions being received we have concluded that it is no longer effective for us to keep the liquidation open to receive these commissions. We will therefore be concluding our arrangement to receive commissions as at 31 December 2018.

Investigations

We have complied with our statutory duty to report on the conduct of the Company's directors and submitted our confidential report to the Insolvency Service on 19 May 2016 during the preceding administration.

Having completed this review no further avenues of recovery have been identified.

If you have any information that you feel we should know, please contact us in writing using the contact details on Page 3.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case set-up and management;
- Statutory reporting;
- Appointment notifications;
- Correspondence with creditors, and
- Cashiering functions.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

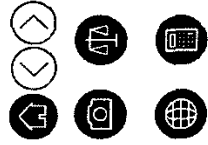
Cost of the work done during the report period

The total costs and expenses incurred during the period of our appointment are detailed below.

- Legal fees of £303 in relation to replacement insolvency practitioner following the retirement of Christopher James Farrington. These fees have been incurred but not paid.
- Our remuneration and expenses. Further information on these costs are provided on Page 10.

All costs have been paid, as shown in the receipts and payments account on Page 6.

All professional costs are reviewed and analysed in detail before payment is approved.



Progress of the liquidation

Receipts and payments

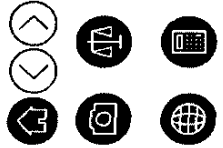
Joint Administrators' receipts and payments account 6 December 2017 to 5 December 2018

£	Notes	To date
Receipts		
KFC Pipeline		35,489
FMS Pipeline		3,323
Book Debts	31	
Administration funds		196,273
Bank Interest Gross	1	161
Total receipts		235,277
Payments		
Third Party Monies		1,826
Liquidator's fees		25,000
Total payments		26,826
Balance		208,451
Made up of:		
I/B Current A/c	1	208,451
Balance in hand		208,451

A receipts and payments account, detailing the transactions in the liquidation to 5 December 2018, and all transactions since the our appointment, is shown opposite.

Notes to receipts and payments account

1. All funds are held in an interest bearing bank account. The associated corporation tax on interest received will be accounted for to HM Revenue & Customs in due course.
2. All sums shown are net of VAT, which is recoverable, and will be accounted for to HM Revenue & Customs in due course.

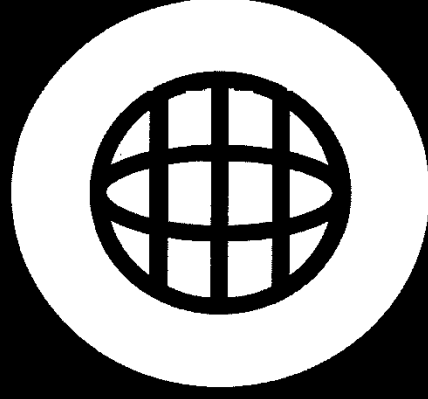




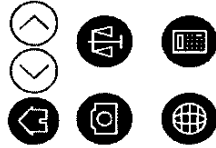
Information for creditors

Outcome

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Information for creditors Outcome



Secured creditors

The Company has no secured creditors.

Preferential creditors

A first and final preferential dividend of 100p in the £ amounting to £11,196.58 was declared and paid to preferential creditors on 14 December 2016 in the preceding administration.

Prescribed Part

As there are no secured creditors with floating charges, the Prescribed Part provisions will not apply to this case.

Unsecured creditors

Based on present information we currently anticipate that there will be a small dividend to the unsecured creditors of approximately 5p in the £, the notice of intended dividend will be sent to creditors shortly.

Claims process – creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed is £1,000 or less, unless you wish to vote in this decision, or any other, decision procedure in which case proof of claim must be given.

We will notify you if funds become available for dividend purposes. Your claim will be admitted in the amount shown in the Company's records/statement of affairs. If you disagree with that amount you will be provided with an opportunity to notify us of the correct amount.

Claims process – creditors with debts of more than £1,000

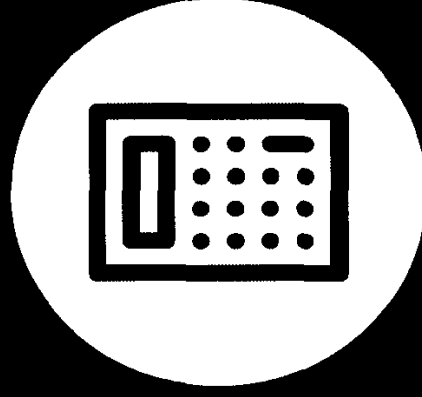
Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us by completing a proof of debt form which is available on the administration website <http://www.deloitte-insolvencies.com/keyfinancialclaimslimited> and which should be sent to the address on page 1, marked for the attention of Wendy Packwood.

Remuneration and expenses



Joint Liquidators' remuneration

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Remuneration and expenses

Joint Liquidators' remuneration

Joint Liquidators' remuneration

"A Creditors' Guide to Remuneration" is available for download at [http://www.deloitte-insolvencies.com/keyfinancialclaimslimited](http://www.deloitte-<u>insolvencies.com/keyfinancialclaimslimited</u>).

Should you require a paper copy, please send your request in writing to us at the address on Page 3 and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration was fixed in the preceding administration on 5 February 2016 by a meeting of creditors by correspondence by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the administration as set out in the fees estimate.

Time costs incurred

A copy of our fees estimate detailing the work that we anticipate will need to be undertaken on this case for the duration of the appointment together with estimates of the likely cost and amount of time that each part of that work will take to complete is provided on Page 11.

We have updated the fee estimate to provide details of our actual time costs for the period of this report and for the entire period of our appointment. As you will see our total time costs to 5 December 2018 are £250,622 made up of 742.0 hours at an average charge out rate of £337.80 across all grades of staff, thus we have exceeded our original fee estimate of £214,951, however the Joint Liquidators do not intend to draw remuneration above the agreed fee estimate. To date we have drawn remuneration of £175,000 in the preceding administration and £25,000 in the liquidation (plus VAT).

Variances to budget estimates

Administrative activities

Additional costs associated with liaising and processing pipeline revenues due to increased time spent in allowing collections to continue based on the level of recoveries.

Statutory and compliances

Additional costs associated with statutory duties including additional statutory reporting due the continued pipeline collections and increased time spent in dealing with audit of the client account.

Initial actions

There has been a reallocation of time but overall across the three task categories we remain within budget.

Third party assets

Additional costs incurred dealing with the collection of third party assets from the Company's site.

Taxation

Higher costs than originally anticipated incurred dealing with pre and post appointment corporation tax submissions.

Book debts

The costs associated with the recovery of the Director's loan account and the book debt collections have been greater than initially anticipated due to disputes.

Sale of business

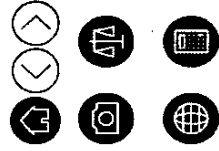
Additional time has been incurred dealing with pipeline commission element of the sale proceeds. There are only likely to be limited further costs incurred to finalise this realisation.

Closure of trading

It took more time than originally anticipated to finalise the trading costs and obtain final invoices for utilities, rent, etc.

Employee correspondence

There has been considerably more time spent dealing with employee queries regarding holiday entitlements.



Fees Estimate and Joint Liquidators' time costs for the period to 5 December 2018

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

This report has been prepared using numeric tables prepared on Excel spreadsheets. As figures have been rounded apparent summing errors may appear in certain of the tables herein.

Activity	Estimated total hours	Avg Rate £/h	Estimated total time costs	Hours incurred so far	Avg Rate £/h	Time costs incurred so far (£)	Hours incurred to date	Avg Rate £/h	Time costs incurred to date (£)
Administrative activities									
Cashiering	51.5	418	21,515	11.2	46	538	60.3	270	16,274
Cash supervision	49.8	392	18,930	13.0	341	4,438	75.8	345	26,153
Cash problems	12.5	317	3,988	0.8	147	125	8.9	314	2,148
Cash paperwork	18.4	349	6,479				3.3	335	1,106
External/joint appointees									
Compliance & FPS diary	14.5	380	5,144	3.6	352	1,338	42.2	387	16,304
Finance	2.3	422	1,214				0.8	335	283
General reporting	80.3	362	28,988				91.4	377	34,452
Statutory meetings							3.4	371	1,280
Regulatory & other legislation	3.6	382	1,298				1.1	374	411
Court applications									
Applications in matters	10.2	532	5,383						
Applications in matters	2.3	592	1,384				18.8	252	4,187
Statutory assets	13.1	446	5,748				13.0	385	4,380
Notifications	22.7	327	7,401	3.3	335	1,108	13.1	424	5,508
CPA reporting	19.0	343	6,170				13.2	337	4,427
Investigations	8.5	393	3,380				5.5	404	2,222
Tax	6.4	318	2,044	2.5	448	1,145	90.4	186	17,043
MAT	38.0	323	12,277	2.6	354	924	28.6	384	11,245
Third party assets	2.0	430	860				3.0	430	1,290
Book debts	9.0	313	2,820	6.0	335	2,010	33.6	978	12,815
Capital assets									
Other assets									
Property	3.9	430	1,690				0.7	564	395
Retention of title							1.4	248	305
Sale of business	60.0	273	16,350				51.1	511	29,131
Asset realisations									
Anti-claim transactions									
Day 1 control of trading	5.4	438	2,150				3.0	780	2,280
Ongoing trading	3.0	438	1,290				9.0	430	2,150
Monitoring trading	28.5	430	12,255				4.3	388	1,795
Closure of trade	28.0	352	9,150				28.5	430	12,255
Consultation	4.0	408	1,636				30.3	433	13,128
Correspondence	47.2	292	12,382				0.3	780	228
Employment tribunals	0.5	335	168				80.0	253	20,204
Insolvent									
Creditors	25.5	277	7,098				30.8	288	8,681
Committees									
Suppliers	0.1	335	34				2.0	335	671
Customers									
Costs & media queries									
Secured creditors	33.8	297	10,068				2.2	357	825
Unsecured creditors	36.9	252	9,287						
Shareholder									
Total	877.7	342	214,951	43.8	264.2	11,615	742.0	317.8	260,627



Remuneration and expenses

Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.

Disbursements

Our disbursements to date are summarised below:

Category 2 Disbursements

Specific approval is required before these costs and expenses can be drawn from the liquidation estate and was given by a meeting of creditors by correspondence on 5 February 2016 in the preceding administration.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Details of all disbursements are given below and from which it can be seen that we have not recovered our disbursements in full.

Category 1 disbursements

£ (net)	Administration Value	Liquidation Value	Paid	Unpaid
Storage	90	14	90	14
Postage and Stationery	159	100	100	159
Advertising	85	85	85	85
Legal fees - replacement IP	-	303	-	303
Subsistence	45	-	45	-
Bordereau	230	-	115	115
Total disbursements	609	502	435	676

Creditors' right to request information

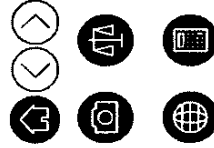
Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.



Deloitte.

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