

The Insolvency Act 1986

Administrator's progress report

Name of Company

Wardour Castle Ltd

Company number

2867732

In the
High Court Of Justice Birmingham

(full name of court)

Court case number
8540 of 2011(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Kevin J Hellard
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YUStephen Hunt
Griffins
Tavistock House South
Tavistock Square
London
WC1H 9LG

administrators of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 5 December 2012

(b) 8 March 2013

Signed

A Woods
Joint Administrator

Dated

10 MAY 2013**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

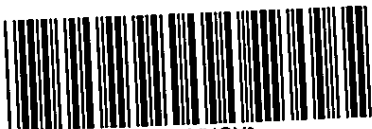
Kevin J Hellard
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

DX Number

Tel/Fax 0207 865 2398
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

SATURDAY



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A285YUCY

11/05/2013

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COMPANIES HOUSE



Our Ref KJH/MSZ/SZT/W01309/7

To the creditors

Recovery and Reorganisation

Grant Thornton UK LLP
30 Finsbury Square
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10 May 2013

Dear Sirs

Wardour Castle Limited - In Administration (the Company)
In The High Court Of Justice No 8540 of 2011

1 Introduction

- 1 1 I, K J Hellard of Grant Thornton UK LLP, was appointed as joint administrator of the above named Company, together with S J Hunt of Griffins, by an Order of the High Court of Justice on 8 March 2013 in place of Mr Costa Morfakis
- 1 2 Mr Morfakis had originally been appointed administrator on 5 December 2011 by an Order of The High Court of Justice
- 1 3 Rule 2 47(3A) of the Insolvency Rules 1986 sets out the periods for which an administrator must produce a progress report Rule 2 47 (3A) covers the period when an administrator ceases to act and states the period to be covered by a progress report ends on the date when an administrator ceases to act, and the period to be covered by each subsequent progress report is each successive 6 month period of 6 months beginning immediately after that date (subject to the further application of this paragraph when another administrator ceases to act)
- 1 4 I am now in a position to present a progress report with respect to this matter I enclose form 2 31B, an account of the administrator's receipts and payments to date, and receipts and payment account from 5 December 2012 to 8 March 2013 which relates to the period of Mr Morfakis' tenure, in accordance with Rule 2 47 of the Insolvency Rules 1986 The receipts and payments account contains figures obtained from Mr Morfakis computerised records which have not yet been verified

2 Statutory Information

- 2 1 The Company's statutory details are as follows

registered number

02867732

Chartered Accountants

Member firm within Grant Thornton International Ltd

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales. No OC307742 Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP
A list of members is available from our registered office

Grant Thornton UK LLP is authorised and regulated by the Financial Services Authority for investment business.

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address

registered office

c/o Grant Thornton UK LLP, 30
Finsbury Square, London, EC2P 2YU

former registered office

Suite 2 – 1st Floor, Turnpike Gate House,
Birmingham Road, Alcester B49 5JG

former trading address

Wardour Castle, Wardour, Tisbury,
Salisbury, Wiltshire, SP3 6SE

3 Progress of the Administration

- 3 1 Administrations ordinarily last for a period of one year, and consequently the administration was due to come to an end on 5 December 2012. Mr Morkakis obtained consent to extend the administration for 12 months to 5 December 2013 by an order of the Court dated 6 December 2012.
- 3 2 According to the proposals report prepared by Mr Morkakis the principal objective of the administration is to realise property in order to make a distribution to the secured and preferential creditors.

4 Assets realisations

- 4 1 Following my review of the administrator's latest progress report the Company still own various leases to the apartments of Wardour Castle. These apartments have been sub-let to various residents on 99 year leases.
- 4 2 Since my appointment, I have instructed David Wright of DawLaw Limited to review the leases in order to confirm the Company position. I also intend to instruct agents to provide me with an accurate valuation for the leases in order that I may be able to prepare them for sale.
- 4 3 I have recently been contacted by an individual who is interested in acquiring all of the leases owned by the Company.
- 4 4 I shall provide creditors with further information in respect of these leases in due course.

5 Intercompany debts

- 5 1 Following a review of the Company accounts, I note that a sum of £335,008 is outstanding from Wardour Estates Limited. However, as detailed within the previous progress report, Wardour Estates Limited have disputed that any funds are due to the Company. I intend to request evidence to support this position. Wardour Estates Limited also have had a S38 Receiver appointed by Ahli United Bank (UK) Plc.

6 Investigations

- 6 1 Part of my duty is to investigate the former liquidators' conduct to ascertain whether the former liquidators' have misapplied, retained, or become accountable for any money or other

property of the liquidation, or whether the liquidation has suffered any loss in consequence of any misfeasance, or fraud and dishonesty by the former liquidators in carrying out their functions

6 2 I will provide information to creditors in relation to my findings in due course

7 Preferential creditors

7 1 There are no preferential creditors of the Company

8 Secured creditors

8 1 Following a review of Mr Morfakis' files and recent progress report, I note that Claire Wentworth holds various legal charges over certain assets of the Company together with a secured debenture created on 27 May 1994 and registered on 15 June 1994. The amount outstanding to Claire Wentworth is approximately £1,146,042. Mr Morfakis apparently received confirmation that Claire Wentworth has no interest in taking any further action in relation to the Company and a claim has not been submitted. I will be seeking clarity on Ms Wentworth's position.

8 2 I understand that a private investor also holds a legal charge over certain assets of the Company, however, the petitioning creditor has taken an assignment of the debt.

9 Unsecured creditors

9 1 The Statement of Affairs for the Company lists unsecured creditor claims totalling £165,996.91.

9 2 Based upon the information available a dividend to unsecured creditors is uncertain.

10 Administration fees

10 1 Following my review of the previous officeholders' files, it appears that Mr Morfakis has not drawn any fees in respect of this case.

10 2 I attach Mr Morfakis' detailed time records to 4 December 2012 in accordance with Statement of Insolvency Practice 9, which shows time costs of £38,144 incurred in the period.

10 3 Office holders are obliged to provide creditors with information pertaining to fees and expenses drawn from the estate over which they are appointed.

10 4 In accordance with Statement of Insolvency Practice (SIP 9), I attach a summary of my time costs, by grade of staff and type of work. This shows a total time cost to date of £6,336.85 represented by 19.01 hours at an average charge out rate of £333.34 per hour. I have not drawn any remuneration or expenses on account.

10 5 The day to day conduct of the administration is under control of partners and staff of Grant Thornton UK LLP. The routine administration of the case will be at a level of administrator, who is responsible to a manager who is experienced in insolvency matters and, together with the appointed partner who is licensed to act as an insolvency practitioner will deal with technical or complex matters as they arise. The extent to which time will be incurred by managers and partners will depend on issues which arise as our investigations continue. Details of the hourly rates are made available to creditors or creditor' committees at the time of fixing the basis of our fees. Personnel carrying the Treasury, secretarial and filing functions are charged separately to the professional staff on the case based on the time they work on it.

10 6 My charge out rates and those of my staff are shown below, together with those of Griffins

Grant Thornton UK LLP From 1/7/12

Grade	£ Per Hour
Partner	465-580
Director	440-480
Managers	270-440
Other Senior Professionals	220-285
Administrators	150-210
Support Staff	140-165

Griffins	£ per hour
Partner	495-545
Manager	300-395
Senior Investigator	325-380
Administrator/Investigator	200-300
Junior Administrator/Investigators	145-190
Support Staff	70-180

11 1 Details of Griffins time costs to date are attached

11 2 Background information regarding Administrators' fees can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Technical' to 'Creditors Guides to Fees'). Alternatively, I can supply this information by post on request.

12 Expense of the administration

12 1 I have incurred expenses of £36 during the period of my appointment which relate to storage and courier charges.

13 Exit Strategy

- 13 1 It is my intention that once the above matters have been resolved and the administrator's duties have been completed that the Company will proceed to Compulsory Liquidation or proceed to dissolution should all matters have been resolved
- 13 2 The Court order dated 6 December 2012, allows for the administration to be extended for a period of 12 months from the date of the Order, till 5 December 2013
- 13 3 If you have any questions regarding the content of this report please contact Sinead Taylor on 0207 865 2398 or email sinead.taylor@uk.gt.com

Yours faithfully
for and on behalf of Wardour Castle Limited



DP Kevin J Hellard
Joint Administrator

Wardour Castle Ltd - In Administration - W30201309 - SIP 9 TIME COST ANALYSIS

Job(s) ADM

Transaction period 08/03/2013 to 09/05/2013

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Standard	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	10	7.50	85	408.00	7.45	2,800.00	3.09	646.15	12.31	4,074.85
Creditors										
Hiatus period										
Investigations					4.50	1,800.00	30	63.00	4.80	1,863.00
Realisation of Assets							1.90	399.00	1.90	399.00
Trading										
Total	10	7.50	85	408.00	11.95	4,600.00	5.29	1,108.15	19.01	6,336.85
					82	213.20				333.34

Total fees billed to date (Time) £

**Wardour Castle Limited
(In Administration)**

**Summary of Receipts & Payments
05 December 2011 to 08 March 2013**

RECEIPTS

Total (£)

0 00

PAYMENTS

0 00

Balance In Hand

0 00

0.00
