

The Insolvency Act 1986

Administrators' progress report

Name of Company
CASTLEWAY VENTURES LIMITED

Company number
03229638

In the HIGH COURT OF JUSTICE, CHANCERY DIVISION,
COMPANIES COURT

Court case number
1973 of 2010

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

We Ian Carr and David Duncley of
Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU

Joint Administrators of the above company attach a progress report for the period

from

to

8 September 2010

7 March 2011

(b) Insert dates

Signed

Joint Administrator

Dated

24 March 2011

MONDAY



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AIQ

28/03/2011

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COMPANIES HOUSE



Grant Thornton

Our Ref TWW/RES/DXM/ISC/DJD/C04002C/PF7

TO THE CREDITORS & MEMBERS

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24 March 2011

Dear Sirs

Castleway Ventures Limited - In Administration (the Company)

High Court 1973 of 2010

1 INTRODUCTION

- 1 1 Following my appointment together with my partner Ian Carr as administrators of the above company by a qualifying floating charge holder on 8 March 2010, I now comment on the progress of the administration to date
- 1 2 I enclose Form 2 24B and an abstract of my receipts and payments account for the period from 8 March 2010 to 7 March 2011 as Appendix A
- 1 3 In accordance with paragraph 100 (2) of Schedule B1 to the Insolvency Act 1986 the functions of the administrators are to be exercised by any or all of them
- 1 4 The administration constitutes "main proceedings" under the EC Regulation on Insolvency Proceedings

2 STATUTORY INFORMATION

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

Registered number	03229638
Date of incorporation	25 July 1996
Registered office	Unit 8 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RH

Authorised share capital	£100,000
Issued share capital	£50,000
Directors. Christopher Robert Charlton	shareholding 10,000
Secretary Benjamin James Robert Charlton (according to Companies House Mr B Charlton resigned as Company Secretary without being replaced on 01/12/2009)	shareholding 5,000

3 SUMMARY OF ADMINISTRATORS' PROPOSALS

- 3 1 The joint administrators' proposals for the Company, which were circulated to the creditors on 29 April 2010, and subsequently approved, are summarised below
- The administrator will pursue the objective of realising property in order to make a distribution to the secured creditor
 - This objective will be achieved by the administrator continuing to manage the business of the company whilst seeking to realise the Company's freehold and leasehold property interests
 - It was agreed that the administration will end by the company going into creditors voluntary liquidation, or if there are no monies available for unsecured creditors, by the dissolution of the company. If the company is placed into creditors voluntary liquidation it is proposed that the administrators in office at that date will be appointed liquidators, any act in the liquidation to be done by any one or more of the liquidators. However, creditors may nominate a different liquidator or liquidators if nomination to that effect is received before the approval of these proposals

4 ASSETS AND LIABILITIES

- 4 1 The Company's assets comprise four freehold properties and one leasehold property. The Bank holds fixed charge securities over all of these assets
- 4 2 Current valuations indicate that it is unlikely that the Bank's debt will be discharged in full. Therefore I do not anticipate that there will be funds available for the unsecured creditors in this case

- 4 3 Given that floating charge realisations in this case are likely to be negligible I do not anticipate that there will be a prescribed part carve out for unsecured creditors

5 CONDUCT OF THE ADMINISTRATION

- 5 1 The only operations that the Company conducted was the collection of rental income from its freehold and leasehold properties. I have continued to conduct these operations whilst I seek to realise the Company's assets
- 5 2 My first priority was to secure, as far as possible, the assets of the company. To this end I have ensured that the properties are adequately insured and that, where vacant, they comply with the insurers empty property code of practice
- 5 3 I concluded that the best way of achieving the objective of the administration was to attempt to sell the assets, being the Company's freehold and leasehold property interests on a piecemeal basis. I duly detail below the progress as to the sale of the Company's properties

404/406 North End Road, Fulham - Freehold Property

- 5 4 This site comprised of a restaurant leased to Kiwi Kitchens and 6 flats sold on long term leases
- 5 5 Since our appointment, Kiwi Kitchens have ceased to trade and we have completed a mutual surrender of the lease from the tenant. We continue to collect ground rent for the leasehold flats
- 5 6 We have instructed agents to market the site. There have been some expressions of interest and our agents are in discussions with them

25 Station Road, Melbourne, South Cambridgeshire & Adjacent land - Freehold Properties

- 5 7 This site is comprised of a freehold property leased to an Indian restaurant. Adjacent to this site is a further freehold site belonging to the Company, comprising of 1/4 acres of land
- 5 8 We have instructed agents to market the properties, and we have accepted an offer from a third party on the property and the adjacent land. We have issued head of terms, which we are in the process of finalising

37 to 39 Station Road, Melbourne, South Cambridgeshire - Leasehold property

- 5 9 We hold the leasehold interest in this site and sub-let to a third party
- 5 10 We have instructed agents to market this site. At present there are no firm expressions of interest, but we will continue to actively market the site

3a The Parade, Sutton, Surrey - Freehold property

- 5 11 This site consists of two units, one tenanted and the other is vacant
- 5 12 We have instructed agents to market this site. At present we have one interested party, whom we are in discussion with

6 EXTENSION OF THE ADMINISTRATION

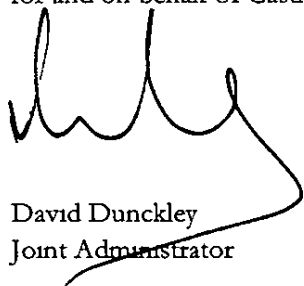
- 6 1 The administration was due to expire on 8 March 2011. However, the Company's assets have yet to be realised in full. Therefore, pursuant to paragraph 76(2)(b) of Schedule B1 of the Insolvency Act 1986, it has been approved by the secured creditor that the administration be extended for a further 6 months. I enclose form 2.31b detailing the notice of extension of the administration.
- 6 2 The revised date for the automatic termination of the administration will be 7 September 2011.
- 6 3 It is anticipated that this will enable the joint administrators to progress the disposal of the Company's assets.
- 6 4 It is anticipated that there will be insufficient floating charge realisations to make a distribution to the preferential creditors. Accordingly, authority from the preferential creditors to extend the administration has not been sought.

7 ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

- 7 1 In accordance with Statement of Insolvency Practice 9 (SIP 9), I attach as Appendix B a summary of my time costs to 7 March 2011 by Grade of staff and type of work.
- 7 2 Time costs to date amount to £130,851.80, representing 473.05 hours at an average of £276.61 per hour.
- 7 3 As previously advised, it was my intention to seek approval for my remuneration from the secured creditor of the Company in accordance with Rule 2.106 Schedule 5A(a) of the Insolvency Act 1986. My remuneration is yet to be approved by the charge holder.
- 7 4 Background information regarding the fees of administrators can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively I will supply this information by post on request.

Should you have any queries please do not hesitate to contact my colleague Tom Walls on
020 7865 2811

Yours faithfully
for and on behalf of Castleway Ventures Limited

A handwritten signature in black ink, appearing to read 'David Dunckley', with a long, sweeping underline that extends to the right.

David Dunckley
Joint Administrator

The affairs, business and property of Castleway Ventures Limited are being managed by Ian Carr and David Dunckley, appointed as joint administrators of the Company on 8 March 2010. Ian Carr and David Dunckley are authorised by the Insolvency Practitioners' Association.

CASTLEWAY VENTURES LIMITED - IN ADMINISTRATION

JOINT ADMINISTRATORS' ABSTRACT OF RECEIPTS AND PAYMENTS

FOR THE PERIOD FROM 8 MARCH 2010 TO 7 March 2011

	Estimated to Realise	Realised from 8 September 2010 to 7 March 2011	Total Realised to 7 March 2011
	£	£	£
RECEIPTS			
Freehold Land and Property	1,435,000 00		
Rent	-	10,560 76	14,410 76
Contracts	-	-	121 50
TOTAL RECEIPTS	1,435,000 00	10,560 76	14,532.26
PAYMENTS			
Bank Charges		13 49	79 64
Agents/Valuers Fees		3,000 00	3,000 00
Heat and Light		93 61	264 26
Advertising		-	75 60
Insurance		2,094 34	2,094.34
VAT Receivable		636 04	636 04
Maintenance/Surveyors Fees		500 00	500 00
TOTAL PAYMENTS		6,337 48	6,649 88
Balance held as at 8 March 2011		4,223 28	7,882 38

Castleway Futures Limited - In Administration

SIP 9 WIP ANALYSIS FOR THE PERIOD FROM 8 MARCH 2010 TO 7 MARCH 2011	Partner		Manager		Senior		Admin/Support		Total		Average Hourly Rate
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	
Administration and Planning	8 25	4,324 00	58 70	21,028 75	79 50	17,386 30	48 60	6,938 75	195 25	49,677 80	254 43
Investigations	0 00	0 00	3 30	1,099 00	13 20	3,206 50	0 25	36 25	16 75	4,341 75	259 21
Realisation of Assets	0 00	0 00	152 05	51,155 00	44 80	10,178 50	17 20	2,507 50	214 05	63,841 00	298 25
Creditors	0 00	0 00	19 95	6,770 25	12 60	3,061 00	4 80	633 50	37 35	10,464 75	280 18
Trading	0 00	0 00	4 25	1,402 50	5 00	1,100 00	0 40	24 00	9 65	2,526 50	261 81
Grand Total	8 25	4,324 00	238 45	81,455.50	155 10	34,932 30	71 25	10,140.00	473 05	130,851 80	276 61

Administration & Planning Includes, case planning, statutory returns, maintenance of bank accounts and estate records, matters relating to tax, general correspondence, legal advice, meetings, employee matters

Investigations Includes, Statutory duty of investigation into company's affairs under Statement of Insolvency Practice (SIP2)

Realisation of Assets Includes, dealing with the sale of the business and the assets of the Company, dealing with Solicitors, collecting book debts

Creditors Includes, correspondence with preferential and unsecured creditors, pensions and employees

Trading Includes, time on site