

AM23

Notice of move from administration to dissolution



Companies House

THURSDAY



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01/03/2018

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COMPANIES HOUSE

1 Company details

Company number 0 3 8 3 1 1 4 8

Company name in full Castlemore (Temple Quay 2) Limited - in administration

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Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice, Chancery Division, Companies COurt

Court number 1 1 4 4 9 o f 2 0 0 9

3 Administrator's name

Full forename(s) Matthew

Surname Hammond

4 Administrator's address

Building name/number Cornwall Court

Street 19 Cornwall Road

Post town Birmingham

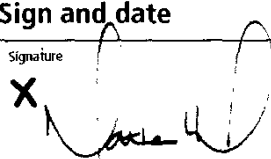
County/Region

Postcode B 3 2 D T

Country

AM23

Notice of move from administration to dissolution

5 Administrator's name ①	
Full forename(s)	David
Surname	Chubb
① Other administrator Use this section to tell us about another administrator.	
6 Administrator's address ②	
Building name/number	7 More London
Street	Riverside
Post town	London
County/Region	
Postcode	S E 1 2 R T
Country	
② Other administrator Use this section to tell us about another administrator.	
7 Final progress report	
<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
8 Sign and date	
Administrator's signature	<div>Signature</div> <div>X  X</div>
Signature date	<div>^d2^d8^m0^m2^y2^y0^y1^y8</div>

Joint administrators' final progress
report from 2 September 2017 to 28
February 2018

***Castlemore (Temple Quay 2)
Limited***

and

***Castlemore (Temple Quay 6)
Limited -***

both in administration

28 February 2018

High Court of Justice, Chancery Division, Companies
Court

Case numbers 11449 & 11451 of 2009

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

Abbreviation or definition	Meaning
Companies	Castlemore (Temple Quay 2) Limited & Castlemore (Temple Quay 6) Limited
Group	The Companies and various associated companies
Administrators	Matthew Hammond, Mark Batten (to 4 August 2017) and David Chubb (from 4 August 2017) of PwC LLP
firm	PricewaterhouseCoopers LLP
TQ2	Castlemore (Temple Quay 2) Limited
TQ6	Castlemore (Temple Quay 6) Limited
GWMC	Glass Wharf Management Co LLP
Bank	Lloyds Bank plc
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
Sch.B1 IA86	Schedule B1 to the Insolvency Act 1986
HMRC	HM Revenue & Customs
prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
secured creditors	Creditors with security in respect of their debt, in accordance with section 248 IA86

Key messages

Why we've sent you this report

I'm pleased to let you know that our work in the administrations of the Companies is now complete and so, I set out below our final report.

You can still view our earlier reports on our website at www.pwc.uk/castlemorelloyds. Please get in touch with Madeline Finkill on 0113 289 4075 or at madeline.finkill@uk.pwc.com if you need a hard copy of any of the reports.

How much creditors have received

The Bank holds fixed and floating charge security over the Companies' assets. At the date of the Administrators' appointment, the Bank was owed in excess of £50,000,000 in relation to lending either directly to the Companies, or for the liabilities to related entities which had been guaranteed by the Companies. The continuation of the development of certain properties in administration has resulted in significantly enhanced values being achieved. I anticipate that, on the conclusion of all the administrations, the Bank will have received significantly more than would have been the case, had the Companies gone into liquidation and the properties been sold in their then state. Each of the Companies has benefitted from this, either directly through enhanced values for their properties or from a significant reduction in their (cross guaranteed) liabilities.

During the administration period, the Bank has provided additional post administration funding to the Companies and is summarised as follows;

Secured creditor	Monies lent £	Monies repaid £
TQ2	15,220,999	14,059,725
TQ6	1,719,751	1,719,751

It is expected that the Bank will suffer a shortfall in its pre administration lending to the Companies across the Group.

There are no preferential creditors in either of the Companies.

As previously reported, there were insufficient realisations to enable a distribution to be made to unsecured creditors under the provisions of the prescribed part or otherwise. (The prescribed part is a proportion of the net realisations (after costs of realisation and administration) subject to a floating charge, which must be made available to unsecured creditors under Section 176A Insolvency Act 1986.)

What you need to do

This report is for your information and you don't need to do anything.

What happens next

In line with our proposals approved by creditors, on 28 February 2018 I filed notices of move from administration to dissolution. The Companies will be dissolved three months after the notices have been registered by the Registrar of Companies.

It was determined that this exit route was the most cost effective given the funds available and date at which the current extensions to the administrations end.

Overview of our work

Why the Administrators were appointed

You may remember from the proposals for achieving the purpose of the administrations dated 20 April 2009, that when we were appointed, the position was as follows:

- The Castlemore Group had historically operated on the basis that Castlemore Securities Limited acted as a central provider of funds in respect of the payment of overheads, funding equity requirements over and above bank funding on property acquisitions, development costs and the payment of consultancy fees relating to the enhancement in value of individual assets through the Group. Castlemore Securities Limited was placed into administration on 27 February 2009.
- As a result of the weakening of the residential property market and the illiquidity within the debt markets the Castlemore Group commenced a programme of costs reduction initiatives during 2008 which saw half of the residential property team being made redundant in March 2008 and two further redundancy programmes taking place in September 2008 and January 2009.
- Given the continued stagnation of the property and construction market, on 1 November 2008 the board of directors engaged with Castlemore Group's advisers Lawrance Graham and Deloitte & Touche LLP to assist in the presentation of a formal restructuring plan to its bankers. The restructuring plans were presented to the banks in November and December 2008 with additional proposals presented in January 2009 and February 2009.
- The Castlemore Group initially believed that their final proposal in respect of the overhead run rates had met the banks' expectations, however given the complex banking arrangements, an agreement could not be reached which ultimately led to the directors taking the actions required to appoint the Administrators.

Asset realisation

On appointment, the Companies' principal asset was the Temple Quay commercial property development in Bristol. The site was partially occupied with a substantial pre-let in place and both TQ2 and TQ6 had freehold interest in a number of the properties at the site. The site required significant further development work and asset management before the plots could be made available.

As explained in earlier reports, I have continued to develop the properties at this site in order to maximise realisations. All the Groups properties have, as a result, now been sold. At the time of my previous report, the only outstanding issues related to a public art installation which was a planning requirement of the development.

TQ2 was the developer of the Temple Quay site as a whole. Following administration, it was necessary to form a solvent subsidiary Temple Quay 20 Limited (TQ20), to complete the development, which TQ2 could no longer undertake due to its insolvency. TQ20 was placed into solvent liquidation on 11 January 2016 in order to dissolve that entity.

TQ2 owned 3 properties at Temple Quay which were sold as development sites, TQ6 owned an office development known as Linear Park, which required work to bring it up to a standard for letting, following which a programme of letting was instigated. The let property was then sold for £17.3m.

During this final period, I have fulfilled the remaining obligations and completed the formal transfer of ownership of the public art installation.

TQ2 has submitted a claim in the administration of ERH Construction Limited (In Administration). This company was supplying services to TQ2 as part of its Temple Quay development, however it ceased trading before completing its contractual obligations and this resulted in a loss to TQ2, funded from the post appointment funding provided by the Bank. The claim has therefore been assigned to the Bank; should the

administration of this company provide a dividend for its creditors, then this will be paid directly to the Bank. The return, if any, is however expected to be minimal.

All outstanding matters in respect of the Companies' administrations have not been completed.

Other issues

I have also now concluded those remaining statutory duties including tax clearance for the Companies, obtained discharge from liability from the secured creditor and deregistered for VAT.

Approval of our proposals

I issued to creditors our proposals, dated 20 April 2009, for achieving the purpose of administration.

Creditors approved our proposals without modification at a meeting on 6 May 2009.

As required under IR16, a summary of our proposals is attached at Appendix A.

With regard to the proposals dated 20 April 2009, you will appreciate that this document was prepared in respect of five related Castlemore companies, including TQ2 and TQ6. Since 2009, the Administrators have progressed the issues relevant to each company and therefore those related asset realisations have in numerous instances now concluded. I am therefore able to confirm that of the five original companies, two have already progressed to dissolution, with TQ2 and TQ6 now also having reached this point. The remaining company (Castlemore (West Bar) Limited) is not in a position to conclude yet, and indeed the High Court has approved an extension of the administration for that company, until 2020.

As a formality however, I would confirm that with reference to TQ2 and TQ6, there have been no major amendments from those intentions disclosed in the proposals dated 20 April 2009.

Investigations and actions

Nothing came to our attention during the administrations to suggest that further enquiries were required in respect of my duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Tax clearance

I fulfilled our duties as proper officers for tax during the administration and filed VAT and corporation tax returns for all relevant accounting periods. HMRC raised no queries on our returns and has confirmed that it has no objection to the administrations ending.

Administration final receipts and payments accounts

I set out in Appendix B accounts of my final receipts and payments in the administrations from 2 September 2017 to 28 February 2018.

Administration expenses

I set out in Appendix C a statement of the final expenses incurred to the 23 February 2018.

Administration fees

I set out in Appendix D an update on the Administrators' remuneration which covers fees, disbursements and other related matters.

Creditors' rights

Creditors have the right to ask for information and challenge Administrators' fees if they believe that they are too high. You can find an explanatory note online at:

A creditors' guide to administrators' fees

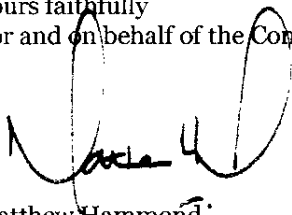
<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditorsguides/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>

You can also get a copy free of charge by telephoning Madeline Finkill on 0113 289 4075.

If you've got any questions, please get in touch with Madeline Finkill on 0113 289 4075.

Yours faithfully

For and on behalf of the Companies

A handwritten signature in black ink, appearing to read 'Matthew Hammond', with a large, stylized flourish at the end.

Matthew Hammond
Joint administrator

Matthew Hammond and David Chubb have been appointed as joint administrators of the Companies to manage their affairs, business and property as agents without personal liability. Both are licensed in the United Kingdom to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales. The joint administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The joint administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the administrations.

Appendix A: Summary of our proposals

The Administrators made the following proposals for achieving the purpose of administration.

- a. The Administrators will continue to manage and finance the Companies' affairs and property from asset realisations and loans from the Secured Lender, in such manner as they consider expedient with a view to achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in administration).
- b. The Administrators may investigate and, if appropriate, pursue any claims that the Company may have under the Companies Act 1985 or IA86 or otherwise. In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals.
- c. If the Administrators think that funds will become available for unsecured creditors under the Prescribed Part, the Administrators may at their discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent Liquidator and that the costs of so doing be met out of the Prescribed Part as costs associated with the Prescribed Part.
- d. If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion make an application to court for permission to make distributions to unsecured creditors under Paragraph 65(3) Sch.B1 IA86.
- e. A creditors' committee will be established if sufficient creditors are willing to act on it. The Administrators propose to seek the election of a creditors' committee and to consult with it from time to time. Where the Administrators consider it appropriate, they will seek sanction from the committee to a proposed action rather than convening a meeting of all creditors.
- f. The Administrators will consult the creditors' committee concerning the necessary steps to extend the Administrations beyond the statutory duration of one year if an extension is considered advantageous. The Administrators shall either apply to the court or seek consent from the appropriate classes of creditors for an extension.
- g. The Administrators may use any or a combination of "exit route" strategies in order to bring the Administration to an end, but in this particular instance the Administrators are likely to wish to pursue the following options as being the most cost effective and practical in the present circumstances: -
 - i. The Administrators will place the Companies into Creditors Voluntary Liquidation, in these circumstances, it is proposed that David Matthew Hammond and Mark Charles Batten be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by either or both of them. In accordance with Paragraph 83(7) Sch.B1 IA86 and Rule 2.117(3) IR86, creditors may nominate alternative Liquidators, provided that the nomination is made after the receipt of these proposals and before they are approved, or
 - ii. The Administrators will apply to the Court to allow the Administrators to distribute surplus funds, if any, to unsecured non-preferential creditors. If such permission is given, the Administrations will be brought to an end by notice to the Registrar of Companies under Paragraph 84 Sch.B1 IA86, following registration of which the Companies will be dissolved

three months later. If permission is not granted the Administrators will place the Companies into Creditors' Voluntary Liquidation or otherwise act in accordance with any order of the court, or

- iii. If it transpires that there are insufficient funds with which to make a distribution to unsecured non-preferential creditors, once all of the assets have been realised and the Administrators have concluded all work within the Administrations, the Administrators will file a notice under Paragraph 84(1) Sch.B1 IA86 with the Registrar of Companies, following registration of which the Companies will be dissolved three months later.
- h. The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch.B1 IA86 in respect of any action of theirs as Administrators at the time determined by the creditors' committee, or if not committee is formed, the secured and preferential creditors, or the court.
- i. It is proposed that the Administrators' fees be fixed under Rule 2.106 of the Insolvency Rules 1986 by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that Category 2 disbursements (as defined by the Statement of Insolvency Practice No.9) be charges in accordance with their firm's policy. It will be for the creditors' committee to fix the basis and level of the Administrators' fees and Category 2 disbursements but if no committee is appointed, it will be for the secured and preferential creditors to fix these instead.
- j. The Administrators propose that the Companies' books and records be destroyed one year after dissolution.

Appendix B: Receipts and payments

Castlemore (Temple Quay 2) Limited - in Administration

Receipts and payments account for the period 2 March 2009 to 28 February 2018

Fixed charge

	Estimated per directors' sworn statement of affairs	2 March 2009 to 1 September 2017	2 September 2017 to 28 February 2018	Total
Receipts	£	£	£	£
Service charges	-	305,637.97	-	305,637.97
Freehold Property	4,150,000	9,976,681.00	-	9,976,681.00
Other income	-	56,700.20	-	56,700.20
Interest received gross	-	8,546.34	-	8,546.34
Insurance recharge	-	5,221.18	-	5,221.18
Funding from secured creditor	-	15,220,998.93	-	15,220,998.93
Distributions received	-	250,000.00	-	250,000.00
Investment income	-	75,000.00	-	75,000.00
		<u>25,898,785.62</u>	<u>-</u>	<u>25,898,785.62</u>
Payments				
Consultancy fees		(71,805.00)	-	(71,805.00)
Shares in subsidiaries		(171.00)	-	(171.00)
Repairs and maintenance		(847,966.09)	(348.55)	(848,314.64)
Funding from secured creditor repaid		(13,938,499.60)	(121,225.41)	(14,059,725.01)
Management charges		(167,275.54)	-	(167,275.54)
Inter-company debts		-	-	-
Insurance		(67,246.71)	-	(67,246.71)
Agents' fees		(517,073.06)	(20,600.00)	(537,673.06)
Cleaning and site clearance		(41,241.29)	-	(41,241.29)
Utilities		(15,219.82)	-	(15,219.82)
Bank/Interest charges		(7,555.29)	(183.98)	(7,739.27)
Legal fees		(1,019,898.27)	(9,750.58)	(1,029,648.85)
Legal settlement		(445,000.00)	-	(445,000.00)
Office holders' fees		(720,142.47)	-	(720,142.47)
Office holders' disbursements		(3,553.32)	-	(3,553.32)
Surveyor's fees		(65,432.87)	-	(65,432.87)
Subcontractors		(7,572,036.63)	-	(7,572,036.63)
Service charges		(219,055.43)	-	(219,055.43)
Security costs		(27,504.71)	-	(27,504.71)
		<u>(25,746,677.10)</u>	<u>(152,108.52)</u>	<u>(25,898,785.62)</u>
Net fixed charge realisations		<u>152,108.52</u>	<u>(152,108.52)</u>	<u>-</u>

Floating charge

	Estimated per directors' sworn statement of affairs	2 March 2009 to 1 September 2017	2 September 2017 to 28 February 2018	Total
Receipts	£	£		£
Pre appointment VAT refund	49,284	23,844.99	-	23,844.99
Payment due under the novation agree	-	593,224.00	-	593,224.00
Refunds	33,260	9,235.03	-	9,235.03
Book debts	19,866	11,301.91	-	11,301.91
Cash at bank	110,574	110,649.48	-	110,649.48
Sale of tax losses	-	16,821.50	-	16,821.50
		<u>765,076.91</u>	<u>-</u>	<u>765,076.91</u>
Payments				
Office holders' fees		(765,076.91)	-	(765,076.91)
		<u>(765,076.91)</u>	<u>-</u>	<u>(765,076.91)</u>
Net floating charge realisations		<u>-</u>	<u>-</u>	<u>-</u>
Vat control account		<u>(5,754.23)</u>	<u>5,754.23</u>	<u>-</u>
Total Balance in hand		<u>146,354.29</u>	<u>(146,354.29)</u>	<u>-</u>

Castlemore (Temple Quay 6) Limited - in Administration

Receipts and payments account for the period 2 March 2009 to 28 February 2018

Fixed charge

	Estimated per directors' sworn statement of affairs	2 March 2009 to 1 September 2017	1 September 2017 to 28 February 2018	Total
Receipts	£	£	£	£
Funding from secured creditor	-	1,719,750.96	-	1,719,750.96
Rental income	-	586,316.36	-	586,316.36
Freehold property	11,925,000.00	17,319,999.00	-	17,319,999.00
Bank interest	-	4,522.36	645.74	5,168.10
Service charges	-	1,695,816.28	11,071.64	1,706,887.92
Insurance recharge	-	22,264.38	-	22,264.38
Other trading income	-	800.00	-	800.00
		<u>21,349,469.34</u>	<u>11,717.38</u>	<u>21,361,186.72</u>
Payments				
Service charges		(1,274,509.78)	-	(1,274,509.78)
Repairs and maintenance		(2,542,545.31)	-	(2,542,545.31)
Management charges		(129,867.63)	-	(129,867.63)
Agents' fees		(793,026.46)	-	(793,026.46)
Security Costs		(188,592.15)	-	(188,592.15)
Cleaning and site clearance		(113,156.41)	-	(113,156.41)
Utilities		(594,654.77)	-	(594,654.77)
Interest on overdraft		(192,711.60)	-	(192,711.60)
Bank charges		(4,628.28)	(121.18)	(4,749.46)
Insurance		(86,781.89)	-	(86,781.89)
Legal fees		(222,488.92)	(1,394.00)	(223,882.92)
Tenant rent contributions		(1,176,508.04)	-	(1,176,508.04)
Office holders' fees		(1,136,354.94)	-	(1,136,354.94)
Office holders' disbursements		(1,299.33)	-	(1,299.33)
Funding from secured creditor repaid		(1,719,750.96)	-	(1,719,750.96)
Distribution to secured creditor		(10,300,000.00)	(729,890.54)	(11,029,890.54)
Surveyors' fees		(7,181.60)	-	(7,181.60)
Subcontractors		(138,408.97)	-	(138,408.97)
Telephone and fax		(5,963.96)	-	(5,963.96)
Consultancy fees		(1,350.00)	-	(1,350.00)
		<u>(20,629,781.00)</u>	<u>(731,405.72)</u>	<u>(21,361,186.72)</u>
Net fixed charge realisations		<u>719,688.34</u>	<u>(719,688.34)</u>	<u>-</u>

Floating charge

	Estimated per directors' sworn statement of affairs	2 March 2009 to 1 September 2017	1 September 2017 to 28 February 2018	Total
Receipts	£	£		£
Pre appointment VAT refund	14,493.00	14,421.64	-	14,421.64
Sale of tax losses	-	145,491.00	-	145,491.00
Refunds	-	1,084.86	-	1,084.86
		<u>160,997.50</u>	<u>-</u>	<u>160,997.50</u>
Payments				
Office holders' fees		(160,997.50)	-	(160,997.50)
		<u>(160,997.50)</u>	<u>-</u>	<u>(160,997.50)</u>
Net floating charge realisations		<u>-</u>	<u>-</u>	<u>-</u>
Vat control account		<u>-</u>	<u>-</u>	<u>-</u>
Total Balance in hand		<u>719,688.34</u>	<u>(719,688.34)</u>	<u>-</u>

Appendix C: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as administrators from the estate and exclude our fees and distributions to creditors.

The table should be read in conjunction with the receipts and payments account at Appendix B, which shows expenses actually paid during the period and the total paid to date.

Although further time costs were incurred during the period, no bills have been raised in respect of these time costs prior to ceasing to act. We have therefore not included these in the expenses statement but full detail is provided at appendix D.

TQ2

Headings in line with R&P	Brought forward from preceding period £	Incurred in the period under review £	Total paid £
Legal fees	1,019,898.27	9,748.48	1,029,646.75
Bank charges	7,555.29	183.98	7,739.27
Agents' fees	517,073.06	20,600.00	537,673.06
Repairs and maintenance	847,966.09	348.55	848,314.64
Total	2,392,492.71	30,881.01	2,423,373.72

TQ6

Headings in line with R&P	Brought forward from preceding period £	Incurred in the period under review £	Total £
Legal fees	222,488.92	1,401.00	223,889.92
Bank charges	4,628.28	121.18	4,749.46
Total	227,117.20	1,522.18	228,639.38

Appendix D: Remuneration update

Our fees were approved on a time costs basis at meetings of the Companies' creditors on 6 May 2009. During the administrations we have drawn fees in accordance with the table below, in line with the approval given and as shown on the enclosed receipts and payments accounts:

Our hours and average rates

Castlemore (Temple Quay 2) Limited - in administration

Analysis of time costs for the period from 2 September 2017 to 18 February 2018

Aspect of assignment	Partner (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Associate (Hrs)	Associate (Hrs)	Support (Hrs)	Total (Hrs)	Time cost £	Average hourly rate £
1 Accounting and treasury	-	1.30	1.90	12.10	10.35	-	25.65	5,462.05	213.01
2 Assets	-	80.50	2.20	-	-	-	82.70	27,846.00	457.27
3 Closure procedures	-	-	5.90	-	1.00	-	6.90	2,269.50	328.91
4 Creditors	0.60	1.00	5.80	8.00	4.40	-	19.80	5,705.00	292.68
5 Employees & Pensions	-	-	0.25	-	-	-	0.25	88.75	355.00
6 Other assets	-	-	3.30	-	-	-	3.30	1,271.50	385.00
7 Statutory and compliance	0.25	3.50	0.60	1.40	5.80	-	11.55	2,332.20	201.89
8 Strategy & Planning	-	0.20	2.20	3.20	0.40	0.30	6.30	1,790.20	284.16
9 Tax & VAT	-	10.60	1.65	5.75	5.30	-	23.30	8,379.25	359.62
Total for the period	0.85	97.30	23.80	20.45	27.25	0.30	179.95	66,107.35	367.77
Brought forward at 1 September 2017							6,827.62	2,611,505.38	
Total							7,007.57	2,677,702.73	

The total fees billed in the administration were £1,485,219.38

Castlemore (Temple Quay 6) Limited - in administration

Analysis of time costs for the period from 2 September 2017 to 18 February 2018

Aspect of assignment	Partner (Hrs)	Director (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Associate (Hrs)	Associate (Hrs)	Support (Hrs)	Total (Hrs)	Time cost £	Average hourly rate £
1 Accounting and treasury	-	-	1.05	0.10	12.85	2.00	-	16.00	3,400.80	212.61
2 Closure procedures	-	-	-	1.75	0.10	1.05	-	2.90	821.80	283.83
3 Creditors	0.60	-	0.75	1.10	6.20	4.40	-	13.05	3,531.60	270.62
4 Other assets	-	-	-	0.50	-	-	-	0.50	177.30	355.00
5 Employees & Pensions	-	-	-	0.30	-	-	-	0.30	106.50	555.00
6 Statutory and compliance	-	-	1.90	0.25	1.15	3.65	-	6.95	2,202.20	250.36
7 Strategy & Planning	-	-	0.15	1.70	2.70	0.15	0.30	5.00	1,114.15	222.83
8 Tax & VAT	-	-	3.60	1.15	0.70	4.30	-	9.75	2,182.75	330.63
Total for the period	0.60	-	7.45	6.85	23.70	8.75	0.30	56.65	15,287.30	269.85
Brought forward at 1 September 2017								6,383.32	2,528,282.46	
Total								6,439.97	2,543,569.76	

The total fees billed in the administration were £1,297,352.44.

Our time charging policy and hourly rates

We and our team charged our time for the work we needed to do in the administrations. We delegated tasks to suitable grades of staff, taking into account their experience and any specialist knowledge needed and we supervised them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility were handled by our senior staff or us.

All of our staff who worked on the administrations (including our cashiers, support and secretarial staff) charged time directly to the case and were included in any analysis of time charged. Each grade of staff has an hourly charge out rate which was reviewed from time to time. Work carried out by our cashiers, support and secretarial staff was charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time has been charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We didn't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who worked on the administrations.

Grade	Up to 30 June 2017 £	From 1 July 2017 £
Partner	600	620
Director	500	525
Senior manager	435	450
Manager	345	355
Senior associate – qualified	260	268
Senior associate – unqualified	190	196
Associate	170	175
Support staff	89	92

We called on colleagues in our Tax, VAT, Real Estate and Pensions departments where we needed their expert advice. Their specialist charge-out rates varied but the following were the maximum rates by grade per hour.

Grade	Up to 30 June 2017 £	From 1 July 2017 £
Partner	1,250	1,315
Director	1,175	1,210
Senior manager	1,170	1,230
Manager	700	735
Senior Associate / consultant	515	545
Associate / assistant consultant	255	270
Support staff	150	160

In common with many professional firms, our scale rates rose during the administrations to cover annual inflationary cost increases.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff.

Whilst this is not an exhaustive list, the key areas of work in the period have been as follows: -

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
<i>Strategy & planning</i>	<ul style="list-style-type: none"> • Case planning and exit strategy planning 	<ul style="list-style-type: none"> • For the proper administration of the insolvency estates 	<ul style="list-style-type: none"> • No direct financial benefit
<i>Secured creditors</i>	<ul style="list-style-type: none"> • Liaising with the Bank on matters regarding strategy • Preparation of estimated outcome statements and reports • Distribution of final funds to the secured creditor 	<ul style="list-style-type: none"> • To update the secured creditors with regard to the administration • For the proper administration of the insolvent estate 	<ul style="list-style-type: none"> • No direct financial benefit
<i>Accounting & treasury</i>	<ul style="list-style-type: none"> • Managing and reconciling the Companies' post appointment bank accounts • Preparing and processing receipts and payments to the estate accounts • Accounting for service charge transactions • Consideration of investment options for funds held in post appointment bank accounts 	<ul style="list-style-type: none"> • For the proper administration of the insolvency estates 	<ul style="list-style-type: none"> • Statutory requirement
<i>Statutory & Compliance</i>	<ul style="list-style-type: none"> • Drafting, reviewing and circulation of progress report • Conducting periodic file reviews • Preparing the final progress report and completing closure tasks 	<ul style="list-style-type: none"> • For the proper administration of the insolvency estates 	<ul style="list-style-type: none"> • Statutory requirement
<i>Tax and VAT</i>	<ul style="list-style-type: none"> • Preparation, review and submission to HMRC of quarterly VAT returns • Requesting deregistration for VAT • Preparation, review and submission to HMRC the final tax computations • Obtaining Tax clearance for both Companies 	<ul style="list-style-type: none"> • The administrators are 'proper officers' of the Companies for Tax and VAT purposes and must ensure their obligations are met 	<ul style="list-style-type: none"> • Statutory requirement • Tax planning and recovery of VAT paid on the estates' costs and expenses
<i>Assets</i>	<ul style="list-style-type: none"> • Regular team meetings and discussion calls in order to 	<ul style="list-style-type: none"> • In order to ensure that all obligations 	<ul style="list-style-type: none"> • Enhanced asset realisations

document and monitor progression of various outstanding issues in the administrations	and liabilities in the estates are identified and settled
<ul style="list-style-type: none"> • Working with former managing agents to finalise service charge accounts • Dealing with the requirement for planning and sign off, of the public art installation at Temple Quay and liaising with the various parties involved in its completion • Adoption of sewers, assignment of construction warranties, reviewing snagging list and confirming all outstanding liability are settled with regard to Temple Quay • Finalising matters in both Companies with regard to debtor balances and ensuring that all obligations and liabilities are met 	<ul style="list-style-type: none"> • To enhance realisations into the estate

Payments to associates

We have not made any payments to associates in the period covered by this report.

Disbursements

We didn't need to get approval to draw expenses or disbursements unless they were for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allowed for all properly incurred expenses to be recharged to the administrations.

The following disbursements arose in the period of this report.

TQ2

Category	Policy	Costs incurred £
2	Photocopying - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying	0.00
2	Mileage - At a maximum of 73pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	0.00

1	Postage	256.32
1	Storage	4.92
	Total	261.24

TQ6

Category	Policy	Costs incurred £
2	Photocopying - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying	0.00
2	Mileage - At a maximum of 73 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	0.00
	Total	0.00

Our relationships

We had no business or personal relationships with the parties who approved our fees or who provided services to the administrations where the relationship could give rise to a conflict of interest.

Details of subcontracted work

We have not subcontracted any work which we or our staff would normally do, in the period of this report.

Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services, including: • <i>Advice upon the existence and application of cross guarantees between TQ2 estates</i>	• <i>Eversheds Sutherland LLP</i>	• <i>Insolvency expertise</i>	• <i>Time costs</i>
Legal services, including • <i>Advising upon our planning obligations in respect of the public art at TQ2</i>	• <i>CMS Cameron McKenna LLP</i>	• <i>Insolvency expertise</i>	• <i>Time costs</i>
Property agents, including • <i>Project management of the site at TQ2, including coordinating various contractors and advisers in order to deliver the public art project</i>	• <i>Alder King LLP</i>	• <i>Industry and insolvency knowledge and expertise</i>	• <i>Fixed fee and time cost basis</i>

Appendix E: Other information

Full name:	Castlemore (Temple Quay 2) Limited	Castlemore (Temple Quay 6) Limited
Court details for the administration:	High Court of Justice, Chancery Division, London District Registry, Case No 11449 of 2009	High Court of Justice, Chancery Division, London District Registry, Case No 11451 of 2009
Trading name:	Castlemore (Temple Quay 2) Limited	Castlemore (Temple Quay 6) Limited
Registered number:	3831148	5899473
Registered address:	Central Square, 29 Wellington Street, Leeds LS1 4DL	Central Square, 29 Wellington Street, Leeds LS1 4DL
Company directors:	Mr Giuseppe Antonio Credali, Mr Eric Stuart Hall & Mr John Grahame Whateley	Mr Giuseppe Antonio Credali, Mr Bradley Roy Critcher & Mr John Whateley
Company secretaries:	Mr Giuseppe Antonio Credali & Mr Neil Ramage	Mr Giuseppe Antonio Credali & Mr Neil Ramage
Shareholdings held by the directors and secretaries:	None	None
Date of the administration appointment:	2 March 2009	2 March 2009
Administrators' names and addresses:	David Matthew Hammond of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT & David Chubb of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT	David Matthew Hammond of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT & David Chubb of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT
Details of any extension(s) to the initial period of appointment	On 24 February 2010, the administration was extended to 1 March 2012. At a hearing on 20 February 2012, the Court granted an extension of three years. On 28 January 2015 and 9 February 2016, the Court granted further extensions, each for a period of 1 year. Finally, on 23 February 2017, the Court granted a further 1 year extension.	On 24 February 2010, the administration was extended to 1 March 2012. At a hearing on 20 February 2012, the Court granted an extension of three years. On 28 January 2015 and 9 February 2016, the Court granted further extensions, each for a period of 1 year. Finally, on 23 February 2017, the Court granted a further 1 year extension.
Changes in officeholder	Mark Batten was replaced by David Chubb with effect from 4 August 2017	Mark Batten was replaced by David Chubb with effect from 4 August 2017
Appointor's / applicant's name:	Lloyds Bank plc	Lloyds Bank plc
Objective being pursued by the Administrators:	(b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company was wound up (without first being in administration).	(b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company was wound up (without first being in administration).
Division of the Administrators' responsibilities:	In relation to paragraph 100(2) Sch. B1 IA86, during the period for which the Administration is in force, any function to be exercised by the persons appointed to act as Administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office.	In relation to paragraph 100(2) Sch. B1 IA86, during the period for which the Administration is in force, any function to be exercised by the persons appointed to act as Administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office.
Proposed end of the administration:	Dissolution	Dissolution
Estimated dividend for unsecured creditors:	Nil	Nil
Estimated values of the prescribed part and the Company's net property:	Nil	Nil
The European Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings.	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings.

AM23

Notice of move from administration to dissolution



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	Madeline Finkill
Company name	PricewaterhouseCoopers LLP
Address	Central Square, 29 Wellington Street
Post town	Leeds
County/Region	
Postcode	L S 1 4 D L
Country	
DX	
Telephone	0113 289 4075



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