

LIQ03

Notice of progress report in voluntary winding up



Companies House

MONDAY



A74H34BF

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23/04/2018

#116

COMPANIES HOUSE

1 Company details

Company number 0 6 0 5 4 4 4 1

Company name in full Caverswall Castle Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Mustafa

Surname Abdulali

3 Liquidator's address

Building name/number 1 Lakeside

Street Festival Way

Post town Festival Park

County/Region Stoke on Trent

Postcode S T 1 5 R Y

Country

4 Liquidator's name ①

Full forename(s) Neil

Surname Dingley

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 1 Lakeside

Street Festival Way

Post town Festival Park

County/Region Stoke on Trent

Postcode S T 1 5 R Y

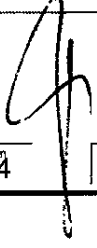


Country

② 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	^d	3	^d	1	^m	0	^m	3	^y	2	^y	0	^y	1	^y	7	
To date	^d	3	^d	0	^m	0	^m	3	^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																
																	
																	
Signature date	^d	2	^d	0	^m	0	^m	4	^y	2	^y	0	^y	1	^y	8	

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 **Laura Pickering**

Company name **Moore Stephens**

Address **1 Lakeside**

Festival Way

Post town **Festival Park**

County/Region **Stoke-on-Trent**

Postcode **S T 1 5 R Y**

Country

DX

Telephone **01782 201120**



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.



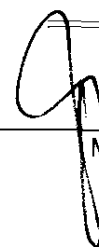
Further information

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

Caverswall Castle Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 31/03/2017 To 30/03/2018 £	From 31/03/2011 To 30/03/2018 £



Mustafa Abdulali
Joint Liquidator
17 April 2018 12:58

Strictly Private & Confidential

CAVERSWALL CASTLE LIMITED ("THE COMPANY")

Progress report to the members and creditors for the
period 31 March 2017 to 30 March 2018

20 April 2018

Contents

1. Statutory information
2. Progress to date
3. Investigations
4. Joint liquidators' remuneration
5. Joint liquidators' expenses
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- Appendix I Receipts and payments account
- Appendix II Breakdown of time costs and examples of work undertaken in a liquidation
- Appendix III Schedule of expenses incurred

This report is intended for use by those parties entitled to a copy thereof under the Insolvency (England and Wales) Rules 2016. It may contain information that is privileged, confidential or exempt from disclosure and any dissemination, distribution or copying of it and its attachments is strictly prohibited. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

Mustafa Abdulali and Neil Dingley are authorised in the UK to act as insolvency practitioners by the ICAEW. All of our work is conducted in accordance with the Insolvency Code of Ethics.

1. Statutory information

Company name:	Caverswall Castle Limited
Company number:	06054441
Registered office:	1 Lakeside, Festival Way, Festival Park Stoke-on-Trent, Staffordshire ST1 5RY
Date of appointment:	31 March 2011
Joint liquidators:	Mustafa Abdulali Neil Dingley
Joint liquidators' address:	1 Lakeside Festival Way Festival Park Stoke on Trent ST1 5RY

2. Progress to date

- 2.1. The receipts and payments account attached in Appendix I details the asset realisations during the period of this report.

2.2. **Legal Settlement**

As advised in the previous report, following the issue of Court proceedings against Robin MacDonald a settlement of £400,000 was agreed. This sum was secured against Mr MacDonald's property portfolio which held more than sufficient equity to discharge the amount due.

As at the last report the sum of £100,000 had been received. During the period of this report, a further £186,148.33 has been received; with a balance of £113,851.67 remaining.

Sales of various properties have been agreed however these are protracted as the properties were previously used as buy-to-let investment properties and the purchasers require vacant possession of the property.

The property sales are under constant monitoring by the Joint Liquidators, who are liaising with the Solicitors and the Director in order to bring conclude this matter.

3. Investigations

- 3.1. An appropriate submission on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business, Energy & Industrial Strategy in accordance with the joint liquidators' statutory duties. Please note that the content of this submission is of a confidential nature and so cannot be disclosed to third parties by myself.

4. Joint liquidators' remuneration

- 4.1. The fee for convening the meeting of creditors and preparing the Statement of Affairs was fixed at £10,000 plus VAT and disbursements as follows:

Rule 4.38

Preparation of statement of affairs in statutory form by Moore Stephens	£5,000
Assistance given by Howsons in respect of the preparation of the Statement of Affairs	£1,000

Rule 4.62

Summoning, advertising and holding of creditors' meeting by Moore Stephens	£2,500
General advice pre-liquidation by Moore Stephens	£1,500
Total	£10,000

- 4.2. It was resolved at the meeting on 31 March 2011, that Moore Stephens be authorised to draw a further sum of £14,145.50 plus VAT and disbursements, in respect of pre-appointment work carried out between 7 March 2011 to 30 March 2011, for dealing with matters leading up to the creditors meeting, including dealing with deposit creditors inquiries, agents and employee matters.
- 4.3. A fee of £23,145.50 has been drawn accordingly.
- 4.4. The remuneration of the joint liquidators has been fixed by creditors as follows:
- That the remuneration of the joint liquidators be fixed by reference to the time properly given by them and their staff in attending to matters arising in the liquidation in accordance with Rule 4.127(2)(b) of the Insolvency Rules 1986
- 4.5. The work undertaken in the period relates to the monitoring of the payments being received from the sale of the Director's properties; towards the settlement of the legal action previously brought against the Director.
- 4.6. In addition we have dealt with all statutory matters and administrative work in relation to the liquidation and either required by legislation or necessary to perform the basic duties of a liquidator. Furthermore, work has begun in reviewing and agreeing the unsecured creditor claims, in anticipation of a dividend being paid upon receipt of the full settlement sum.
- 4.7. During the period of this report, time costs of £16,629.20 have been incurred over 110.00 hours at an average rate of £151.17 per hour. A detailed breakdown of the time costs of the joint liquidators, together with current charge out rates and examples of work undertaken in a liquidation are attached in Appendix II.
- 4.8. £107,800.80 has been drawn in respect of the remuneration of the joint liquidators.

- 4.9. Should you wish to receive a copy of "A Creditors' Guide to Liquidators' Fees" this is available on the Moore Stephens website <http://www.moorestephens.co.uk/corporaterecovery.aspx> or by requesting a copy from this office in writing or by telephone.

5. Joint liquidators' expenses

- 5.1. A schedule of all expenses incurred in the period has been detailed in Appendix III.
- 5.2. Included in the expenses incurred in the period are the following:

Expense type	Sum paid in period
ATE Insurance Premium – in respect of insurance obtained by the Joint Liquidator's prior to the issue of legal proceedings, to cover any losses incurred in the event of an unsuccessful legal case. The total sum payable will be £60,950. The sum paid to them to date represents a % return based on the monies received from Mr MacDonald to date.	£28,307.56
Legal Fees – Howes Percival. Incurred by Solicitors in their assistance to the Joint Liquidators in pursuing a legal claim against Robin MacDonald. Their total costs to January 2017 (excluding VAT and expenses, but inclusive of the uplift allowable under their Conditional Fee Agreement) were £169,437.98. However, in order to assist in the facilitation of a dividend to unsecured creditors, they have agreed a significant reduction in their fees to £96,869.85. The sum paid to them to date represents a return based on the monies received from Mr MacDonald to date.	£65,154.13
Counsel's Fees – Incurred by Counsel in their assistance to the Joint Liquidators in pursuing a legal claim against Robin MacDonald. Their total costs to January 2017 (excluding VAT, but inclusive of the uplift allowable under their Conditional Fee Agreement) were £51,802.75. However, in order to assist in the facilitation of a dividend to unsecured creditors, they have agreed a 20% reduction in their fees to £41,442.20. This has now been paid in full.	£14,399.28

6. Creditors' rights

- 6.1. Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) or any unsecured creditor with the permission of the court may request in writing that the joint liquidators provide further information about their remuneration or expenses which have been itemised in the progress report.
- 6.2. Within 14 days of receipt of the request, the joint liquidators must provide all of the information asked for, except so far as they consider that:
- the time or cost of preparation of the information would be excessive, or
 - disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - they subject to an obligation of confidentiality in respect of the information.

The joint liquidators are also required to give reasons for not providing all of the requested information.

- 6.3. Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may, within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the joint liquidators' remuneration, the remuneration charged, or the expenses incurred by the joint liquidators as set out in the progress report are excessive.

7. Liabilities

Secured creditors

- 7.1. There are no secured creditors.

Preferential creditors

- 7.2. The Redundancy Payments Office has submitted a preferential claim for the sum of £2,432.60 in respect of arrears of wage and holiday pay claims paid to employees.

Unsecured creditors

- 7.3. The Statement of Affairs listed the unsecured creditor claims as £940,452.75.
- 7.4. This figure is subject to final quantification, the final figure is likely to be made up of (but not limited to) deposits paid by customers, trade and expense creditors, insurance claims, employee claims, banks, local authority claims and HMRC.
- 7.5. Claims received to date total £622,363.56.
- 7.6. It is anticipated that there will be a distribution to the unsecured creditors, however, at this stage we are unable to comment on the amount and timing.



Mustafa Abdulali
Joint Liquidator

1 Lakeside
Festival Way
Festival Park
Stoke-on-Trent ST1 5RY

T 01782 201120
www.moorestephens.co.uk

MOORE STEPHENS

Joint Liquidators' receipts and payments account

Caverswall Castle Limited (In Liquidation)

	Statement of affairs £	From 31/03/2017 To 30/03/2018 £	From 31/03/2011 To 30/03/2018 £
RECEIPTS			
Legal Settlement		186,148.33	286,148.33
Alterations to rented property	1.00	0.00	0.00
Fixtures & Fittings	16,050.00	0.00	25,000.00
Insurance Refund		0.00	130.13
Cash at Bank		0.00	435.57
Bank Interest Gross		8.08	12.51
		<u>186,156.41</u>	<u>311,726.54</u>
PAYMENTS			
ATE Insurance Premium		28,307.56	43,971.71
Preparation of S.of A.		0.00	1,000.00
Section 98 Fee		0.00	23,145.50
Liquidator's Fees		80,800.80	107,800.80
Liquidator's Expenses		110.00	2,231.88
Agents Fees - Butters John Bee		0.00	2,400.00
Accountants fee		0.00	200.00
Legal Fees - Howes Percival		65,154.13	74,408.55
Legal Disbursements - Howes Percival		0.00	679.20
Counsel's Fees		14,399.28	41,442.20
Court Fees		0.00	715.00
Bank Charges		0.00	8.00
		<u>188,771.77</u>	<u>298,002.84</u>
Net Receipts/(Payments)		<u>(2,615.36)</u>	<u>13,723.70</u>

MADE UP AS FOLLOWS

VAT Receivable	17,448.03
Bank 2 Current	9,678.90
Vat Control Account	(13,403.23)
	<u>13,723.70</u>



Mustafa Abdulali
Joint Liquidator

Breakdown of time costs and examples of work undertaken in a liquidation

CAVERSWALL CASTLE LIMITED (IN CREDITORS' VOLUNTARY LIQUIDATION)

Please find below a summary of time costs incurred in the previous 12 month period and cumulatively since appointment:

Summary of Moore Stephens' time-costs for the period							
	Partner / Associate	Director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	1.50	0.00	9.30	13.40	24.20	3,502.50	144.73
Investigations	2.35	0.00	4.60	0.00	6.95	1,836.50	264.24
Realisation of assets	5.15	0.00	10.80	0.00	15.95	4,109.70	257.66
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	3.20	0.00	1.50	58.20	62.90	7,180.50	114.16
Total hours	12.20	0.00	26.20	71.60	110.00		
Total time costs £	4,548.00	0.00	5,173.70	6,907.50		16,629.20	151.17

Summary of Moore Stephens' time-costs since appointment							
	Partner / Associate	Director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	16.80	0.00	138.80	78.40	234.00	29,207.85	124.82
Investigations	152.65	0.00	516.65	59.80	729.10	127,329.00	174.64
Realisation of assets	118.55	0.00	187.70	2.70	308.95	71,835.80	232.52
Trading	0.50	0.70	6.00	0.30	7.50	1,123.20	149.76
Creditors	4.20	0.00	56.70	77.60	138.50	16,321.10	117.84
Total hours	292.70	0.70	905.85	218.80	1,418.05		
Total time costs £	100,628.00	104.50	126,863.00	18,221.45		245,816.95	173.35

Total remuneration drawn on account

107,800.80

Time charged in 6 minute units or multiples thereof. A copy of the firm's current charge out rates is attached.

Examples of the work which may be undertaken, but which is not limited to, include:

Statutory compliance, administration and planning

- Setting up and maintenance of internal hard copy files and case file on the Insolvency Practitioners System (IPS)
- Data input including basic details of case, assets, creditor names and addresses and employee names and addresses
- Obtaining specific penalty bond
- Setting up of liquidation bank account including inputting details on the IPS system
- Preparation and filing (with the Registrar of Companies) of various statutory forms including statement of affairs, change of registered office form, notice of appointment and the resolution to wind up
- Advertisement of notice of appointment, resolution to wind up and the notice to creditors to claim in The Gazette
- Notification to the Registrar of Companies of the formation of a liquidation committee (if applicable)
- Convening and holding meetings of members and creditors
- Holding meetings and reporting to the liquidation committee (if applicable)
- Letters to directors regarding the provisions of sections 216 and 217 of Insolvency Act 1986, enclosing directors questionnaires
- Obtaining approval for the basis of fees from creditors
- Initial notification to HM Revenue & Customs
- Enquiries as to any pension schemes and the auto-enrolment staging dates and subsequent notification of appointment (if applicable)

- Preparation and filing (with the Registrar of Companies, Land Registry and all persons claiming an interest in the property) of notices of disclaimer in relation to leasehold premises
- Preparation and distribution of progress reports to members and creditors
- Preparation and submission of statutory receipts and payments accounts
- General administration of case including case planning and strategy
- Completion of internal reviews including asset realisation review, 6 month review and annual reviews
- Collection, preservation and review of the Company's book and records
- Review of the Company's redirected post
- Completion of the internal investigation checklist
- Written and verbal communications with the unsecured creditors
- Written and verbal communication with employees
- Dealing with lease and hire purchase creditors in conjunction with our agents
- Liaising with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- Review of creditor questionnaires and other information received in relation to the affairs of the Company
- Review of director questionnaires
- Preparation of liquidators' submission on the actions of the directors to the disqualification unit of the Department for Business, Energy & Industrial Strategy
- Correspondence with compliance department in respect of on-going case issues/matters
- Complying with money laundering regulations
- Completing bill requisitions and raising invoices against time incurred in respect of work carried out and outlays incurred
- Reconciliation of post appointment bank accounts to the liquidation records
- Maintaining time-costs and disbursement schedules on firm's PMS system (including timesheet entries)
- Dealing with pension issues
- Arrangement and review of insurance policies in relation to the Company's assets
- Preparation and submission of corporation tax returns
- Preparation and submission of VAT returns
- Chargeable gains tax calculations
- Closure formalities

Asset realisations

- Identifying, securing and insuring the assets
- Instructing agents to value assets
- Liaising with agents regarding the realisation of assets
- Liaising with solicitors regarding the realisation of assets
- Liaising with secured creditors regarding the realisation of charged assets
- Liaising with pre-appointment bankers regarding the closure of the Company's bank accounts
- Dealing with retention of title claims in conjunction with our agents
- Written and verbal correspondence with debtors
- Monitoring and collection of outstanding debtors, retentions and work in progress
- Property, business and asset sales
- Tax reclaims
- Review of interest rate hedging products

Investigations

- Liaising with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- Liaising with solicitors in relation to investigations
- Forensic accounting
- Review of Company's bank statements
- Further review of the Company's book and records
- Review of director/creditor questionnaires
- Land Registry and Companies House searches
- Consideration of legislation relating to, but not limited to, wrongful trading, fraudulent trading, antecedent transactions, preferences, transactions at undervalue

Distributions to creditors

- The processing and submission of the relevant forms to the Redundancy Payments Directorate

- Processing of creditors' proof of debt forms and entering onto IPS system
- Liaising with agents in relation to the agreement of creditor claims
- Liaising with solicitors in relation to contentious proof of debt forms
- Agreement of creditors' claims (including employees and other preferential creditors)
- Calculation and payment of dividends
- Preparation of distribution paperwork including the notice of declaration

Schedule of Office Holders' Disbursements & Charge-out Rates

The table detailed below sets out the current charge-out rates utilised by Moore Stephens in the Staffordshire, Shropshire and Leicester offices for charging staff time.

Partner 1	£390.00 per hour
Partner 2	£330.00 per hour
Administrator	£125.00-£200.00 per hour
Cashier	£100.00 per hour
Secretarial	£100.00 per hour
Support Staff	£75.00-£95.00 per hour

Time charged in 6 minute units or multiples thereof.

The table detailed below sets out the basis on which this office charges internal disbursements.

Internal disbursements are charged where appropriate by Moore Stephens as follows:

Storage	Charged at cost
Archiving Files & Closure	Charged at cost
Postage, Photocopying + Fax	Charged at cost

It should be noted that the above rates increase from time to time over the period of the administration of each insolvency case. These rates apply from 01 August 2016

Breakdown of expenses

CAVERSWALL CASTLE LIMITED (IN CREDITORS' VOLUNTARY LIQUIDATION)

Please find below a schedule of all expenses incurred in the previous 12 month period and cumulatively since appointment:

Cost Description	Undrawn costs brought forward from previous period(s) £	31 March 2017 to 30 March 2018 Costs incurred £	This period Costs drawn £	31 March 2011 to 30 March 2018 Costs incurred £	Cumulative Costs drawn £
Agents fees & expenses	0.00	0.00	0.00	2,400.00	2,400.00
Legal fees & expenses	0.00	65,154.13	65,154.13	75,802.75	75,802.75
Courier fees	0.00	0.00	0.00	130.00	130.00
ATE Insurance Premium	0.00	28,307.56	28,307.56	43,971.71	43,971.71
Accountant's fees	0.00	0.00	0.00	200.00	200.00
Counsel's fees	0.00	14,399.28	14,399.28	41,442.20	41,442.20
Statutory advertising	0.00	0.00	0.00	184.69	184.69
Bonding fee	0.00	0.00	0.00	420.00	420.00
Travel	0.00	0.00	0.00	66.84	66.84
Company Search fees	0.00	0.00	0.00	11.00	11.00
Storage costs	0.00	88.00	88.00	366.38	366.38
Land registry fees	22.00	0.00	22.00	31.00	31.00
High Peak Borough Council - copying fee for files	0.00	0.00	0.00	455.10	455.10
Total	22.00	107,948.97	107,970.97	165,481.67	165,481.67
Total undrawn costs to carry forward					0.00