

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



\*A83J0676\*  
A13 17/04/2019 #429  
COMPANIES HOUSE

<b>1</b>	<b>Company details</b>	
Company number	0 6 0 5 4 4 4 1	<b>→ Filling in this form</b> Please complete in typescript or in bold black capitals.
Company name in full	Caverswall Castle Limited	
<b>2</b>	<b>Liquidator's name</b>	
Full forename(s)	Mustafa	
Surname	Abdulali	
<b>3</b>	<b>Liquidator's address</b>	
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		
<b>4</b>	<b>Liquidator's name Ⓢ</b>	
Full forename(s)	Nell	<b>Ⓢ Other liquidator</b> Use this section to tell us about another liquidator.
Surname	Dingley	
<b>5</b>	<b>Liquidator's address Ⓢ</b>	
Building name/number	1 Lakeside	<b>Ⓢ Other liquidator</b> Use this section to tell us about another liquidator.
Street	Festival Way	
Post town	Festival Park	
County/Region	Stoke on Trent	
Postcode	S T 1 5 R Y	
Country		

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From date	<sup>d</sup> 3	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8
To date	<sup>d</sup> 3	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9

☒ The progress report is attached

## Liquidator's signature

Signature

x Nafers

X

Signature date 

<sup>d</sup> 1	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
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## 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 **Stephen Lancaster**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

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

Statement of Affairs £	From 31/03/2018 To 30/03/2019 £	From 31/03/2011 To 30/03/2019 £
		</

  
Mustafa Abdulali  
Joint Liquidator

Strictly Private & Confidential

# CAVERSWALL CASTLE LIMITED ("THE COMPANY")

Progress report to the members and creditors for the  
period 31 March 2018 to 30 March 2019

11 April 2019

# Contents

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- 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 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

Creditors will be aware that Court proceedings were issued against the director, Robin MacDonald. As a result of these proceedings, a settlement of £400,000.00 was agreed. This sum was secured against Mr MacDonald's property portfolio – the available equity within the properties comprised in the portfolio exceeded the agreed sum required to settle. The director commenced taking steps to sell off various properties.

My last progress report disclosed that a total of £286,148.33 had been received, and a balance of £113,851.67 still to be raised.

In the period under review, further properties were sold, and a total of £113,851.67 received.

The sum of £400,000.00 has now been received in full, and this matter is now concluded.

The process of getting outstanding creditor claims in is ongoing, with a view to declaring and distributing a first and final dividend to unsecured creditors. Once this process has been completed, steps will then be taken to close the case, and for the Joint Liquidators to be released from office.

# 3. Joint Liquidators' remuneration

### **Pre-appointment remuneration**

- 3.1. 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	<hr/> £10,000 <hr/>

- 3.2. 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.
- 3.3. A fee of £23,145.50 has been drawn accordingly, in accordance with sanction obtained on 31 March 2011 from the liquidation committee, in respect of the Joint Liquidators' pre-appointment costs.

### **Post-appointment remuneration**

- 3.4. The remuneration of the Joint Liquidators was fixed by the liquidation committee, on 31 March 2011, 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
- 3.5. The work specifically undertaken in the review period relates to the commencement of the dividend process, getting claims in and checking documentary evidence, chasing claims, dealing with enquiries from creditors, reporting to the liquidation committee, dealing with enquiries from the director regarding sales of properties and removal of charges, and liaising with solicitors regarding the ongoing claim and sales of properties.
- 3.6. 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.
- 3.7. During the period of this report, time costs of £11,260.25 have been incurred over 86.95 hours at an average rate of £129.50 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 disclosed in Appendix II.

- 3.8. To date £129,531.84 has been drawn in respect of the remuneration of the Joint Liquidators, inclusive of £21,731.04 drawn in the review period.
- 3.9. 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.

## 4. Joint liquidators' expenses

- 4.1. A schedule of all expenses incurred in the period has been detailed in Appendix III.
- 4.2. 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 £60,950.00. The sum paid to date represents a percentage return based on the monies received under the agreed settlement for the director to date. During the review period, a sum of £16,978.29 representing the balancing figure has been paid to the insurers. The sum of £60,950.00 has been paid in full.	£16,978.29
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. In the review period, a balancing payment of £22,461.30 has been paid, and the sum of £96,869.85 has now been paid in full.	£22,461.30

## 5. Creditors' rights

- 5.1. 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.
- 5.2. 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.

- 5.3. 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.

## 6. Liabilities

### *Secured creditors*

- 6.1. There are no secured creditors within the liquidation.

### *Preferential creditors*

A distribution of 100p/£ has been settled in the review period, to the Redundancy Fund, relating to preferential entitlements of the former employees of the Company. The total distributed was £2,393.20.

### *Unsecured creditors*

- 6.2. The director's Statement of Affairs listed the unsecured creditor claims as £940,452.75.
- 6.3. The process of getting in remaining unsecured claims is ongoing, and the final quantum of agreed claims has yet to be determined. Creditors include deposits paid by customers, trade and expense claims, insurance claims, unsecured employee claims (redundancy pay and PILON), and claims from banks, local authorities, and HMRC.
- 6.4. Unsecured claims received to date total £556,565.
- 6.5. It is anticipated that there will be a first and final distribution to unsecured creditors. As outlined above, whilst the process is continuing, we are unable to comment on the amount and timing of the dividend.



Mustafa Abdulali  
Joint Liquidator


## Joint Liquidators' receipts and payments account

## Caverswall Castle Limited (In Liquidation)

	Statement of affairs £	From 31/03/2018 To 30/03/2019 £	From 31/03/2011 To 30/03/2019 £
<b>RECEIPTS</b>			
Legal Settlement		113,851.67	400,000.00
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		35.89	52.94
		<u>113,887.56</u>	<u>425,618.64</u>
<b>PAYMENTS</b>			
ATE Insurance Premium		16,978.29	60,950.00
Preparation of S.of A.		0.00	1,000.00
Section 98 Fee		0.00	23,145.50
Liquidator's Fees		21,731.04	129,531.84
Liquidator's Expenses		8.00	2,239.88
Agents Fees - Butters John Bee		0.00	2,400.00
Accountants fee		0.00	200.00
Legal Fees - Howes Percival		22,461.30	96,869.85
Legal Disbursements - Howes Percival		0.00	679.20
Counsel's Fees		0.00	41,442.20
Court Fees		0.00	715.00
Bank Charges		0.00	8.00
Dept of Employment		2,314.40	2,314.40
Employees Wage Arrears		78.80	78.80
		<u>63,571.83</u>	<u>361,574.67</u>
Net Receipts/(Payments)		<u>50,315.73</u>	<u>64,043.97</u>

## MADE UP AS FOLLOWS

VAT Receivable	13,198.23
Bank 2 Current	64,248.97
Vat Control Account	(13,403.23)
	<u>64,043.97</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 31 March 2018 to 30 March 2019							
	Partner / Associate	Director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av rate £/h
Statutory compliance, administration and planning	1.55	0.00	4.95	12.85	19.35	2,592.75	133.99
Investigations	2.50	0.00	2.80	0.00	5.30	1,406.00	265.28
Realisation of assets	1.00	0.00	6.50	0.70	8.20	1,753.00	213.78
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	2.50	51.60	54.10	5,508.50	101.82
<b>Total hours</b>	<b>5.05</b>	<b>0.00</b>	<b>16.75</b>	<b>65.15</b>	<b>86.95</b>		
<b>Total time costs £</b>	<b>1,789.50</b>	<b>0.00</b>	<b>3,253.25</b>	<b>6,217.50</b>		<b>11,260.25</b>	<b>129.50</b>

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	43.15	0.00	248.35	98.70	390.20	53,252.85	136.48
Investigations	159.35	0.00	519.45	59.80	738.60	130,115.00	176.16
Realisation of assets	120.55	0.00	194.60	3.40	318.55	74,018.80	232.36
Trading	0.50	0.70	6.00	0.30	7.50	1,123.20	149.76
Creditors	6.60	0.00	86.70	146.00	239.30	27,221.00	113.75
<b>Total hours</b>	<b>330.15</b>	<b>0.70</b>	<b>1,055.10</b>	<b>308.20</b>	<b>1,694.15</b>		
<b>Total time costs £</b>	<b>112,467.50</b>	<b>104.50</b>	<b>146,784.95</b>	<b>26,373.90</b>		<b>285,730.85</b>	<b>168.66</b>

Total remuneration drawn on account

129,531.84

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

Cost Description	Undrawn costs brought forward from previous period(s)	This period		31 March 2011 to 30 March 2019		Cumulative
		Costs incurred	Costs drawn	Costs incurred	Costs drawn	
	£	£	£	£	£	£
Agents fees & expenses	0.00	0.00	0.00	2,400.00	2,400.00	2,400.00
Legal fees & expenses	0.00	22,461.30	22,461.30	96,869.85	96,869.85	96,869.85
Courier fees	0.00	0.00	0.00	130.00	130.00	130.00
ATE Insurance Premium	0.00	16,978.29	16,978.29	60,950.00	60,950.00	60,950.00
Accountant's fees	0.00	0.00	0.00	200.00	200.00	200.00
Counsel's fees	0.00	14,399.28	14,399.28	41,442.20	41,442.20	41,442.20
Statutory advertising	0.00	0.00	0.00	184.69	184.69	184.69
Bonding fee	0.00	0.00	0.00	420.00	420.00	420.00
Travel	0.00	0.00	0.00	66.84	66.84	66.84
Company Search fees	0.00	0.00	0.00	11.00	11.00	11.00
Storage costs	0.00	59.00	8.00	425.38	374.38	374.38
Land registry fees	0.00	0.00	0.00	31.00	31.00	31.00
High Peak Borough Council - copying fee for files	0.00	0.00	0.00	455.10	455.10	455.10
Total	0.00	53,897.87	53,846.87	203,586.06	203,535.06	203,535.06
Total undrawn costs to carry forward						
						51.00

1 Lakeside  
Festival Way  
Festival Park  
Stoke-on-Trent ST1 6RY

01782 201120

MOORE STEPHENS