

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
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www.gov.uk/companieshouse

1 Company details

Company number 0 6 3 6 0 6 8 8

Company name in full Cransley Eco Park C.I.C

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Simon David

Surname Chandler

3 Liquidator's address

Building name/number 1st Floor

Street Two Chamberlain Square

Post town Birmingham

County/Region

Postcode B 3 3 A X

Country

4 Liquidator's name ①

Full forename(s) Scott Christian

Surname Bevan

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 1st Floor

Street Two Chamberlain Square

Post town Birmingham

County/Region

Postcode B 3 3 A X

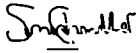
Country

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	0	^d	7	^m	0	^m	3	^y	2	^y	0	^y	2	^y	2	
To date	^d	0	^d	6	^m	0	^m	3	^y	2	^y	0	^y	2	^y	3	
7	Progress report																
	<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date																
Liquidator's signature	Signature X  X																
Signature date	^d	0	^d	5	^m	0	^m	5	^y	2	^y	0	^y	2	^y	3	

**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 **Liam Flavell**

Company name **Mazars LLP**

Address **1st Floor**

Two Chamberlain Square

Post town **Birmingham**

County/Region

Postcode

B 3 3 A X

Country

DX

Telephone

+44 (0)121 232 9500

**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

Cransley Eco Park C.I.C
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 07/03/2022 To 06/03/2023 £	From 07/03/2022 To 06/03/2023 £
	ASSET REALISATIONS	
	Bank Interest Gross	351.00
10,123.00	Cash at Bank	10,110.23
NIL	Equipment	NIL
	Rent	2,707.77
400,000.00	Reservoir surrounding Land and Dam	120,000.00
		<u>133,169.00</u>
	COST OF REALISATIONS	
	Agents - marketing / selling fees	2,625.00
	Agents - Security Fees	975.00
	Agents Disbursements	1,162.38
	Auctioneer's Expenses	375.00
	Bank Charges	1.48
	Legal disbursements	6.00
	Legal disbursements - Property	80.00
	Legal fees	1,423.00
	Legal Fees - Property	2,555.50
	Supervising Engineer's Expenses	7,395.81
	VAT Irrecoverable	508.73
		<u>(17,107.90)</u>
	SECONDARY PREFERENTIAL CREDITORS	
(1,592.00)	HMRC: VAT	NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(269,782.00)	Directors' Loan Account	NIL
(660.00)	Trade & Expense Creditors	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(3.00)	Ordinary Shareholders	NIL
		<u>NIL</u>
138,086.00		116,061.10
	REPRESENTED BY	
	Floating Charge Current	115,761.10
	Vat Control Account float	300.00
		<u>116,061.10</u>



Cransley Eco Park C.I.C - In Liquidation ("The Company")

The Liquidators' Progress Report for the period - 07/03/2022 – 06/03/2023

5 May 2023

Contents and abbreviations

Section	Contents
1.	Introduction
2.	Executive summary
3.	Progress in the Period
4.	Estimated outcome for the creditors
5.	Liquidators' remuneration, disbursements, and expenses
Appendix	Content
A.	Statutory Information about the Company and the Liquidation
B.	Liquidators' Receipts & Payments account
C.	Fees Information Pack
C1	Fees Estimate
C2	Detailed Fees Estimate
C3	Estimated Outcome Statement
C4	Expense Statement
C5	Rates & Expenses Policy

The following abbreviations are used in this report

Mazars	Mazars LLP
The Company	Cransley Eco Park C.I.C - In Liquidation
The Liquidators	Simon David Chandler and Scott Christian Bevan of Mazars LLP
The Period	The reporting period - 07/03/2022 – 06/03/2023
CVL	Creditors Voluntary Liquidation
SIP	Statement of Insolvency Practice
HMRC	HM Revenue & Customs
QFCH	Qualifying Floating Charge Holder
R&P Account	Receipts & Payments Account

1. Introduction

Purpose of the report

This report has been prepared in accordance with section 104A of the Insolvency Act 1986, to provide creditors with details of the progress made during the Period.

Identification details relating to the Company and the Liquidators are attached at Appendix A.

Further guidance

General information regarding a creditor's role during the liquidation process can be found at www.creditorinsolvencyguide.co.uk.

For specific enquiries relating to this matter, please do contact Liam Flavell on 01212 329 629.

2. Executive summary

Outstanding matters

As outlined in section 3 of this report, the main matters preventing the conclusion of this case include:

- Reporting, statutory and compliance functions including issuing annual progress reports and final account to all known creditors and members and Companies House.
- Tax and VAT compliance, including preparing tax computations and returns in respect of the Liquidation periods.
- Conclude our investigations into the Company's affairs prior to Liquidation.
- Obtaining HRMC clearance to commence closure proceedings.
- Engagement with the C.I.C regulators.

Liquidators' remuneration

Details of the Liquidators' fee estimate is provided with this report.

Dividend Prospects

An overview of the dividend prospects, based on current information, for the separate classes of creditors who have submitted claims is given below:

R&P Account

Cransley Eco Park C.I.C (In Liquidation)
The Liquidators' Progress Report

	Claims received (£)	Paid to date (£)	Future payments (£)
Preferential creditors (secondary)	72.00	Nil	Nil
Unsecured creditors	269,935.05	Nil	Nil

Estimated time frame for closure

Based on the outstanding matters still to conclude, it is estimated that the Liquidation will be closed within two years.

3. Progress in the period

An R&P Account covering the Period is attached at Appendix B. Currently there is a balance in hand of £115,761.10 and VAT receivable of £300.

An explanation of the assets realised during this period is provided below. Full details of the expenses incurred are provided in Appendix E.

Type of asset	Estimated to realise value ¹ (£)	Realisations during current period (£)	Anticipated future receipts (£)
1. Bank Interest	-	351.00	300.00
2. Cash at Bank	10,123.00	10,110.23	Nil
3. Equipment	Nil	Nil	Nil
4. Rent	-	2,707.77	Nil
5. Reservoir surrounding Land and Dam	400,000.00	120,000.00	Nil

Work undertaken during the Period

¹ The estimated to realise value used here is taken from the Directors' Statement of Affairs

1. Bank Interest

Bank interest of £351 has been earned during the period.

2. Cash at Bank

The Company operated a current account with Lloyds Bank Plc. Following our appointment we wrote to Lloyds Bank and requested the transfer of the credit balance. I can confirm we received the balance in the sum of £10,110.23 on 20 April 2022.

3. Equipment

The Company's equipment was sold prior to our engagement for £9,593. The equipment had a book value of £5,208 in the latest set of accounts dated September 2021. Following a review of the Company's bank statements, the sale proceeds had been received into the Company's bank account and the equipment was sold for market value.

4. Rent

Cransley Sailing Club utilised the Reservoir on a rolling lease for the period of the liquidation.

As at the reporting date, we have received rent in the sum of £2,707.77, for the pro-rated period up to the date of completion of the reservoir sale. No further rent is due.

3. Progress in the period

5. Reservoir surrounding Land and Dam

The Company owned an area of freehold land and a reservoir located at Cransley Reservoir, Eagle Lane, Kettering, Northamptonshire, NN14 1PR ('the Reservoir'). Comprising of a 40 acre reservoir, surrounding foreshore and dam as well as the land, which was home to a local sailing club. The Directors' Statement of Affairs estimated the realisable value at £400,000.

Immediately on appointment, the Joint Liquidators insured the reservoir and were ordered to make additional safety improvements to the surrounding areas such as more life rings and signage. Costs were incurred by agents Humphrey & Gray Ltd in this regard.

Following our appointment, we also continued the services of the Supervising Engineer, David Littlemore of Stillwater Associates Limited ("Stillwater"). This was to ensure the Liquidators were compliant in accordance with the Reservoirs Act. The SE had to complete documentation for an On-site Flood Plan, Section 10 Inspection report and preparation of Prescribed Form of Record. Along with undertaking regular water level checks and site visits. Following our appointment, the Joint Liquidators also instructed Agent Tim Simmons of Sanderson Weatherall LLP ("SW LLP") to assist with marketing advice and a strategy to realise the Reservoir.

The proposed exit route of the sale included a private treaty marketing campaign with a bespoke brochure, with an ultimate sale via an auction process. The auctioneers were Cottons Chartered Surveyors.

Following our investigations into the Company's affairs, the Liquidators concluded that in January 2021 a parcel of land and section of road as part of

the Reservoir, had been transferred from the CIC into the Directors' (Peter Stein and Denise Stein) personal names. We understand that this was done on the advice of the Company's professional advisors.

Following a number of meetings and discussions with the Director it was agreed that the Title relating to the parcel of land should be transferred back to the CIC under the same terms.

The Liquidators instructed Howes Percival LLP ("HP") to assist with all legal matters relating to the sale of the Reservoir and documentation required to complete the transfer of the parcel of land.

HP assisted with transferring the registered Title back to the CIC and confirmed that the marketing and sale of the land could proceed.

Significant work has been undertaken to market and achieve a sale of the assets of the Company and I can confirm the reservoir was sold via auction on 26 October 2022, and the sale was officially completed on 23 November 2022 for the price of £120,000 plus VAT as applicable.

The sale proceeds were received from HP on 5 December 2022.

The advice behind the transfers of parts of the Company's property and the wider ownership is still being investigated by the Liquidators with the assistance of Knights solicitors.

Connected Party Transactions

3. Progress in the period

In accordance with Statement of Insolvency Practice 13, I confirm that two parcels of land were transferred back to the Company from the Director as advised in this report.

Investigations

An initial investigation into the Company's affairs has been undertaken by the Liquidators in accordance with Statement of Insolvency Practice 2. The purpose of these investigations is to establish whether there are any potential asset recoveries or conduct which requires further investigation.

Should creditors have any information which they consider may assist the Liquidators in carrying out their investigations, or be aware of any matters which they believe should be brought to the attention of the Liquidators, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

In accordance with the Company Directors Disqualification Act 1986, the Liquidators are required to investigate the affairs of the Company and the conduct of the directors during the three years prior to the Liquidation. The Liquidators can confirm that this obligation has been complied with and a confidential on-line report was submitted to the Insolvency Service on 26 May 2022.

Further investigations into the Company's affairs and the conduct of the Director are ongoing. Should any further information come to light, it will be reported to the Insolvency Service accordingly.

Cransley Eco Park C.I.C (In Liquidation)
The Liquidators' Progress Report

Outstanding matters

The main matters preventing the conclusion of this case include:

- Conclude our investigations into the Company's affairs pre appointment.
- Reporting, statutory and compliance functions including issuing annual progress reports and final account to all known creditors and members and Companies House.
- Tax and VAT compliance, including preparing tax computations and returns in respect of the Liquidation periods.
- Obtaining HRMC clearance to commence closure proceedings.

4. Estimated outcome for creditors

Estimated Outcome Statement

An Estimated Outcome Statement is attached at Appendix C. It should be noted that this document is for illustrative purposes only and is subject to change.

Secured creditors.

There are no secured creditors in this case.

Preferential creditors

There are no preferential creditors in this case.

Secondary preferential creditors

From 1 December 2020, certain debts owing to HMRC as at the date of insolvency rank as a secondary preferential creditor. These debts include those listed below and are to be paid in priority to any prescribed part, any floating charge creditors and any unsecured creditors.

VAT – according to the Directors' Statement of Affairs, the debt due to HMRC for VAT is £1,592. HMRC's preferential claim has been received totalling £72.

Assuming that realisations and expenses are as anticipated, it is not expected that there will be a return to HMRC due to insufficient funds.

Unsecured creditors

According to the Directors' Statement of Affairs, the Company had two unsecured creditors with debts totalling £270,442. Claims received to date total £269,935.05 from two creditors.

Assuming that realisations and expenses are as anticipated, it is not expected that there will be a return to unsecured creditors due to insufficient funds.

Prescribed part

As there is no floating charge, the Prescribed Part does not apply in this instance.

5. Liquidators' remuneration and expenses

Pre-appointment costs

On 21 April 2022, a decision was made by the creditors following a decision procedure by a decision by correspondence, enabling the Liquidators to draw remuneration in relation to the outstanding pre-appointment costs, in respect of the preparation of the Statement of Affairs and seeking a decision from creditors for the nomination of a liquidator. The outstanding pre-appointment costs can be summarised as follows:

Name	Amount
Mazars LLP - Fees	£6,000 plus VAT

No remuneration has been drawn during the period covered by this report.

Remuneration

In accordance with rule 18.16 of the Insolvency (England & Wales) Rules 2016, the basis of my remuneration may be fixed;

- a) as a percentage of the value of assets which are realised or distributed, or of the one value and the other in combination; or
- b) by reference to the time properly given by my staff and I in attending to matters arising in the winding-up; or
- c) as a set amount; or
- d) as a combination of any or more of the above

On this occasion, I am seeking a decision from creditors that my remuneration be fixed by reference to the time properly given by my staff and I in attending to matters arising in the winding-up, subject to my Fees Estimate detailed below.

When requesting fees on this basis I am required to provide creditors with a Fees Estimate, which is attached at Appendix C1 and C2. This provides details in respect of the work my staff and I propose to undertake in respect of this matter.

Creditors will note that the Fees Estimate totals £112,068.20. This estimate acts as a cap for my fees and I will be unable to take any additional fees without the approval of the general body of creditors.

Costs already incurred amount to £81,213.20 which represents 290.1 hours at a blended rate of £279.95. A comparison of costs already incurred against my Fees Estimate is provided in the table at Appendix C1. A description of matters already undertaken is provided in Appendix C2. The costs incurred to date reflect the significant amount of time dealing with the Reservoir in terms of compliance, safety and its ultimate disposal, along with the necessary statutory matters in a Liquidation scenario.

You will note that I have assumed that the liquidation could be open for another year. This assumption has been made due to the following factors:

- It is assumed it could take up to one year to conclude our investigations into the Company's affairs during the years prior to the Liquidation.

5. Liquidators' remuneration and expenses

- It may not be possible to obtain HRMC clearance to commence closure proceedings before that time.

For completeness you will also find details of this firm's Rate and Disbursement Policy including charge-out rates by grade within the Fees Pack, at Appendix C5. In common with other professional firms, charge out rates may increase over the period of the administration of the case. Details of any changes will be provided as part of my reporting throughout the life of the case. All staff that work on the case, including the cashiers, support and any secretarial staff charge their time directly to the assignment in 6 minute units.

In accordance with Statement of Insolvency Practice 9, a guide entitled "A creditors' guide to Liquidators' fees" providing information on creditors' rights is available to download from the website: <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/> or alternatively will be provided free of charge upon written request to this office.

Expenses

Expenses are any payments from the estate which are neither remuneration nor a distribution to a creditor or a member. Expenses also include

disbursements. Disbursements are payments which are first met by the liquidator, and then reimbursed to the liquidator from the estate.

Expenses are divided into those that do not need approval before they are charge to the estate (category 1) and those that do (category 2).

- Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
- Category 2 expenses: These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

I am seeking the approval of the payment of Category 2 expenses in accordance with this firm's Rate and Expenses Policy, attached at Appendix C5.

In accordance with Rule 18.16 of the Insolvency (England & Wales) Rules 2016, prior to the determination of the basis of my remuneration I must provide creditors with details of the expenses I consider are likely to be incurred.

Attached within the Fees Pack at Appendix C4 is an Expense Estimate which also explains why each expense is deemed necessary. Expenditure (including remuneration) is currently anticipated to total £146,844.78. Details of expenses already paid can be found in the attached Receipts and Payments Account at Appendix B.

5. Liquidators' remuneration and expenses

I have reviewed the expenses incurred to date and I'm satisfied that they are fair and reasonable and proportionate in the circumstances of the case.

Expenses incurred but not yet paid predominantly comprise the fees and disbursements of professional advisors and mileage, as follows:

Category	Amount (£)
Courts Advertising	207.00
Specific Bond	315.00
Mileage	102.99

Professional advisors

Where specialist advice or services have been required, the liquidators are obliged to ensure that the work provided reflects the best value and service. The Liquidators are also required to ensure that such professional advisors are fit and proper. The specialists chosen by the liquidators are subject to continuous review and are usually selected due to their insolvency or sector knowledge.

Further details regarding the advisors selected were provided in the initial expenses estimate, a copy of which can be accessed on the Portal.

Important information regarding creditors' rights

The following creditors can ask the Liquidators for further information about the remuneration and expenses set out in this progress report:

- a secured creditor; or
- an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors; or
- an unsecured creditor with permission of the Court

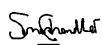
All requests for such further information must be made within 21 days following the receipt of this report.

Creditors can also apply to Court on the basis that the Liquidators' remuneration, the basis of the remuneration or the expenses incurred in the Period are excessive or inappropriate. The concurrence required is at least 10% in value of the unsecured creditors.

In accordance with SIP9, creditors can find additional information on their rights relating to Liquidators' remuneration in a copy of the publication "A creditors guide to Liquidators' fees" which is available to download from the website: <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/>

Alternatively, a hard copy of the relevant guide will be sent to you on request.

5. Liquidators' remuneration and expenses



S D Chandler
Joint Liquidator

Dated **5** May 2023

be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: www.mazars.co.uk/Legal-and-privacy.

Authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics. Where personal data is required to

Appendix A – Identification Details

Details relating to the Company:

Company name	Cransley Eco Park C.I.C
Previous names	-
Trading name	-
Company number	06360688
Registered office	c/o Mazars LLP, 1st Floor, Two Chamberlain Square, Birmingham, B3 3AX
Trading address	Cransley Reservoir, Eagle Lane, Kettering, Northamptonshire, NN14 1PR

Details relating to the Liquidators:

Names	Simon David Chandler Scott Christian Bevan
Date of appointment	7 March 2022
Method of appointment	Decision of the creditors
Authorising body	Simon David Chandler is authorised by the IPA and their authorisation number is 008822. Scott Christian Bevan is authorised by the IPA and their authorisation number is 009614.
Liquidators' Address	Mazars LLP, 1st Floor, Two Chamberlain Square, Birmingham, B3 3AX
Liquidators' Contact telephone number	+44 (0)121 232 9500

Appendix B – Receipts & Payments Account

Statement of Affairs £		From 07/03/2022 To 06/03/2023 £	From 07/03/2022 To 06/03/2023 £
	ASSET REALISATIONS		
	Bank Interest Gross	351.00	351.00
10,123.00	Cash at Bank	10,110.23	10,110.23
NIL	Equipment	NIL	NIL
	Rent	2,707.77	2,707.77
400,000.00	Reservoir surrounding Land and Dam	120,000.00	120,000.00
		133,169.00	133,169.00
	COST OF REALISATIONS		
	Agents - marketing / selling fees	2,625.00	2,625.00
	Agents - Security Fees	975.00	975.00
	Agents Disbursements	1,162.38	1,162.38
	Auctioneer's Expenses	375.00	375.00
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	Supervising Engineer's Expenses	7,395.81	7,395.81
	VAT Irrecoverable	508.73	508.73
		(17,107.90)	(17,107.90)
	SECONDARY PREFERENTIAL CREDITORS		
(1,592.00)	HMRC: VAT	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(269,782.00)	Directors' Loan Account	NIL	NIL
(660.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(3.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
138,086.00		116,061.10	116,061.10
	REPRESENTED BY		
	Floating Charge Current		115,761.10
	Vat Control Account float		300.00
			116,061.10

Appendix C – Fees Information Pack

Strictly Private and Confidential

Cransley Eco Park C.I.C - IN LIQUIDATION

FEES INFORMATION PACK

Contents

Appendix

C1	Fee Estimate
C2	Detailed Fee Estimate
C3	Estimate Outcome Statement
C4	Expenses Estimate
C5	Rates and Expenses Policy

Appendix C1 – Fee Estimate

My total Fees Estimate as at 25 April 2023 to conclude this matter is £112,068.20. I have provided below a breakdown of how these costs will be split between the different functions my staff and I are likely to perform on this case.

Description of Work	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)
Administration & Planning	38.2	10,846.00	283.93
Taxation	45.7	12,432.20	272.04
Investigations	44.0	12,754.80	289.88
Realisation of Assets	120.2	41,770.20	347.51
Employees	1.0	149.60	149.60
Creditors	4.0	1,172.60	293.15
Reporting	30.3	9,037.60	298.27
Cashiering	37.6	8,773.60	233.34
Statutory & Compliance	66.6	15,131.60	227.20
Total	387.6	112,068.20	289.13

Attached to this Fees Estimate is a detailed summary of the work anticipated, together with an explanation as to why the various tasks are required.

Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Expenses policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

Not all of the work which I am required to perform will provide a direct financial benefit to creditors. Some of the work to be undertaken is required because statute dictates that I must perform this task, or because guidance issued by the Insolvency Service or my regulatory body requires such. However, a large proportion of the work will be dealing with securing and realising assets, with a view to maximising the funds available to creditors.

On this case, assuming realisations are as anticipated in the attached Estimated Outcome Statement, the above work is unlikely to provide a financial benefit to secondary preferential and unsecured creditors, as it is not expected that there will be a return to creditors due to insufficient funds, as detailed in section 4 of the report.

Exceeding the Fees Estimate

The Fees Estimate has been based on previous examples of cases of a similar size and complexity to this case, together with our current knowledge of the case and the work which we anticipate will be necessary.

Appendix C1 – Fee Estimate

The above estimate also assumes that this case will remain open no longer 6 March 2024. This assumption has been made due to the length of time we anticipate it will take to conclude our investigations into the Company's affairs and the conduct of the Director; obtain clearance from HMRC and commence closure proceedings.

In the event that further work is required in respect of the above and/or and the case extends beyond the estimated timeframe, it is likely that the Fees Estimate will be exceeded, at which point it will be necessary to seek further approval for an increase.

Appendix C1 – Fee Estimate

Work has been undertaken on this case prior to fee approval due to statutory deadlines and so as to ensure the security of the assets and to also ensure that an accurate Fee Estimate is provided to creditors. The following provides a breakdown of the Administrators' actual time costs incurred to date compared to estimated costs as per the Fees Estimate.

Description of Work	Fees Estimate as at 25 April 2023			Actual time costs for the period 7 March 2022 to 6 March 2023		
	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)
Administration & Planning	38.2	10,846.00	283.93	35.2	9,867.00	280.31
Taxation	45.7	12,432.20	272.04	33.2	8,527.20	256.84
Investigations	44.0	12,754.80	289.88	29.5	7,727.80	261.96
Realisation of Assets	120.2	41,770.20	347.51	109.7	37,832.20	344.87
Trading	-	-	-	-	-	-
Employees	1.0	149.60	149.60	1.0	149.60	149.60
Creditors	4.0	1,172.60	293.15	1.0	193.60	193.60
Reporting	30.3	9,037.60	298.27	1.8	688.60	382.56
Cashiering	37.6	8,773.60	233.34	27.6	5,605.60	203.10
Statutory & Compliance	66.6	15,131.60	227.20	51.1	10,621.60	207.86
Totals	387.6	112,068.20	289.13	290.1	81,213.20	279.95

Appendix C2 – Detailed Fee Estimate

Description of work

Administration and Planning

Work undertaken to date:

- Case acceptance and ethical reviews.
- Completing case strategy notes.
- Holding strategy meetings.
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.
- Preparing strategy notes on current position.
- Reviewing and updating checklists.
- Incoming post.
- Assessing likely outcomes and costs.
- Case Filing.

Future work to be undertaken:

- Holding strategy meetings
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.
- Case Strategy Planning
- Reviewing and updating checklists.
- Case Filing.

This work is necessary to ensure that the case is administered correctly and in line with statutory requirements.

It is not expected that this work will result in a direct financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.

Taxation

Taxation work undertaken to date:

- Notifying HM Revenue & Customs ("HMRC") of my appointment and establishing whether they have any outstanding claims or ongoing investigations. Such enquires will assist with my own investigations.
- Reviewing the Company's VAT position; finalising the pre-appointment VAT account; deregistering the Company for VAT once all of the taxable assets have been sold in line with the VAT regulations.
- Preparing post-appointment VAT returns, as required by statute.
- Preparing RS internal Tax and VAT checklists and issuing to local specialist Mazars team for further analysis
- Considerations to VAT treatment on property related costs.
- Correspondence with HMRC regarding VAT returns to be sent for completion.
- Completion of internal VAT checklist and sending to internal specialist Tax Team.
- Deregistering the Company for VAT once all of the taxable assets have been sold in line with the VAT regulations

Appendix C2 – Detailed Fee Estimate

Taxation work to be undertaken includes:

- Preparing post-appointment Corporation Tax and final tax returns, as required by statute
- Preparing post-appointment VAT returns, as required by statute.
- Discussions with HMRC to confirm de-registration date via telephone.
- Chasing HMRC for de-registration date, where applicable.
- Instructing RS Tax to complete final Corporation tax clearance package.
- Obtaining clearance from HM Revenue & Customs
- Chasing clearance from HMRC.

This work is necessary to ensure that the case is tax compliant. The estimate above assumes that the case will remain open for less than two years.

It is uncertain if this work will result in a direct financial benefit for creditors. However, it is required in order to ensure

that the case has been administered in line with regulatory requirements.

Investigations

Investigations are required in accordance with Statement of Insolvency Practice 2, so as to identify whether any assets have been dissipated and what recoveries can be made so as to enhance the funds available to distribute. They also assist with Appointment takers duty under the Company Directors Disqualification Act 1986.

A summary of the work undertaken to date includes:

- Investigating the Company's affairs to include a review of the Company's books and records and in particular, the bank statements to identify any potential transactions that were outside the ordinary course of business.
- Correspondence with Director regarding the reasons for the Company's failure.
- Liaising with Lloyds Bank Plc for closing bank statements
- Reporting to the Insolvency on the Director's conduct
- Issuing and review of Director's questionnaires and investigation into any matters notified
- Liaising with Accountants for financial information.
- Instructing and calls / meetings Knights to assist with our investigations into the Company's affairs pre appointment.
- Discussions with Company's pre appointment Solicitors regarding property related files.

A summary of the work yet to be concluded includes:

- Reviewing property related files and discussions with Knights as to the contents.
- Further discussions with Knights as to latest position with investigations and route forward.
- Continue to liaise with Company's pre appointment accountants and solicitors.
- Report findings to CIC Regulator, when appropriate.
- Further investigations of the Company's affairs pre appointment. Discussions with Liquidators Staff members on next steps.
- Reporting to the Insolvency Service on any new information that comes to light, if applicable.

My estimate assumes that there are no adverse findings during my investigations. In the event that investigations reveal possible actions, then these may lead to additional realisations but the costs of pursuing these actions are likely to increase. If this arises, further information will be provided to creditors separately.

It is not expected that this work will result in a direct financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Appendix C2 – Detailed Fee Estimate

Realisation of Assets

The Company's assets comprise of Cash at Bank, Equipment, Rent and Reservoir Surrounding Land and Dam. Further details of these assets can be found in Section 3 of this report.

Actions required to realise the Company's assets included:

- Liaising with Lloyds to request the transfer of Cash at Bank balance to liquidation account.
- Chasing Lloyds to transfer the credit balance held to liquidation account.
- Obtaining a professional valuation of the Company's assets in particular the sale of the reservoir.
- Arranging insurance cover over assets and ensuring their security.
- Instructing Agents to implement insurance recommendations.
- Reviewing and implementing recommendations outlined by Insurance provider.
- Discussions with Agent regarding further recommendations to be implemented.
- Reviewing marketing advice given to the company pre appointment.
- Discussions with members of staff regarding sale strategy and solicitor instruction.
- Liaising with Supervisor Engineer on requirements to ensure compliancy.
- Discussions with Supervisor Engineer regarding water readings and possible site checks.
- Liaising with Engineer regarding Dam inspection, Section 10 inspection access requirements and confined spaces inspection.
- Gathering information relating to reservoir including title numbers and land registry search.
- Instructing Howes Percival to assist with all legal matters relating to the sale of the reservoir and documentation required to complete the transfer of the parcel of land.
- Consolidating list of interested parties.
- Negotiations with interested parties.
- Further discussions with Agent regarding reservoir and sale process.
- Reviewing further documentation regarding leases in place and riparian rights.
- Reviewing information provided by Company's pre appointment solicitor.
- Discussions with Director regarding land transfer back to company.
- Further letters to Director regarding land transfer and proposed route forward.
- Reviewing rent apportionment for liquidation estate.
- Discussions with Director and obtaining land transfer documentation.
- Instructing Sanderson Weatherall to assist with marketing advice and a strategy to realise the Reservoir.
- Liaising with Director regarding transfer of Road and Parcel of Land back to the company.
- Instructing solicitors to assist with legal documentation for transfer of plots.
- TR1 review.
- Reviewing Auction pack.
- Sale of Reservoir Via Auction
- Emails regarding post sale exchange and completion documentation.
- Review of completion documents including statement.
- Issuing letter to CIC Regulator.
- Reviewing proposed Agents fees and approving.

Future work to be undertaken will include:

- Continued discussions with Knights regarding any recovery action necessary following the conclusion of the statutory investigations.

Appendix C2 – Detailed Fee Estimate

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances. Further work is currently unknown and dependent on the pursuit of the Directors' Loan Account.

Creditors

It is estimated that there are likely to be in the region of two unsecured creditor claims. In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:

- Responding to creditor queries.
- Logging Creditor Claims.
- Reviewing backing documentation received from creditors and saving on firms client system.

Future work to be undertaken will include:

- Responding to creditor queries.
- Logging and reviewing any further creditor claims received.
- Seeking approval from creditors in respect of a decision procedure when appropriate.

My estimate above assumes that no more than two claims will be received, and the case will remain open for less than two years.

Reporting

Reporting requirements as prescribed by statute are as follows:

Work undertaken to date includes:

- Preparing report to creditors in respect of updating them on case progress and seeking fee approval
- Preparing Estimated Outcome Statement for likely future costs and any anticipated return to creditors.

Future work to be undertaken will include:

- Seeking approval from creditors in respect of a decision procedure when appropriate and preparing a record of the decision.
- Updating Outcome Statement for likely return to creditors.
- Drafting and issuing a final report to all known members and creditors.
- Issuing final account to Companies House.

It is not expected that this work will result in a direct financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Cashiering

Cashiering work is required to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body. Work undertaken to date includes:

- Establishing set up of case details on our insolvency software system.
- Setting up bank accounts, including deposit accounts as necessary.
- Bank account maintenance, including periodic reconciliations.
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

Future work to be undertaken will include:

- Bank account maintenance, including periodic reconciliations.

Appendix C2 – Detailed Fee Estimate

- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

It is not expected that this work will result in a direct financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.

Statutory and Compliance

Statutory and compliance work as required by statute or our internal procedures involves:

- Preparation and lodgement of statutory appointment documents.
- Initial notices following appointment.
- Case monitoring and statutory compliance, including internal case reviews.
- Case bordereau.
- Initial advertisements following appointment

Future work to be undertaken includes:

- Case monitoring and statutory compliance, including internal case reviews.

It is not expected that this work will result in a direct financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

Appendix C3 – Estimated Outcome Statement

Estimated Outcome Statement for Cransley Eco Park CIC - In Liquidation as at 6 March 2023

<u>Assets</u>	SOA ETR	To-date	Future	Total
Bank Interest	-	351	300	651
Cash at Bank	10,123	10,110	Nil	10,110
Sailing Club rent	-	2,708	Nil	2,708
Reservoir	400,000	120,000	Nil	120,000
		133,169	300	133,469
Costs of Realisations				
Agent's - Marketing/ Selling Fees		(2,625)	0	(2,625)
Agents - Security Fees		(975)	0	(975)
Agents Disbursements		(1,162)	0	(1,162)
Auctioneer's Expenses		(375)	0	(375)
Bank Charges		(1)	(5)	(6)
Legal Disbursements - Howes Percival		(6)	0	(6)
Legal Disbursements - Property Howes Percival		(80)	0	(80)
Legal Fees - Howes Percival		(1,423)	0	(1,423)
Legal Fees - Property Howes Percival		(2,556)	0	(2,556)
Legal Fees - Knights		0	(10,000)	(10,000)
Corporation Tax		Nil	Uncertain	Uncertain
Insurance of Assets		Nil	(1,029)	(1,029)
Pre-appointment costs		(6,000)	0	(6,000)
Liquidators' Fees		0	(112,068)	(112,068)
Liquidators' Disbursements*		(522)	(10)	(532)
Mileage*		(103)	0	(103)
Supervising Engineer fees		(7,396)	0	(7,396)
VAT Irrecoverable		(509)	0	(509)
		(23,733)	(123,112)	(146,845)
Amount available to preferential creditors				(12,867)
Secondary Preferential Creditors				
HMRC: VAT				(72)
Estimated deficiency/surplus as regards preferential creditors				(12,939)
Debts secured by floating charges pre 15 September 2003				Nil
Estimated prescribed part of net property (c/f)				Nil
Estimated total assets available for floating charge holders				(12,939)

Appendix C3 – Estimated Outcome Statement

Debts secured by floating charges post 14 September 2003	0
Estimated deficiency/surplus of assets after floating charges	(12,939)
Amount available to unsecured creditors	
Estimated prescribed part of net property (b/d)	Nil
Unsecured Creditors' claims	
Trade & Expense Creditors	Nil
Director	(269,782)
HMRC	<u>(153)</u>
Deficit to Unsecured Creditors	(282,874)
Return to unsecured creditors (p in the £)	Nil

*Incurred but not yet paid.

Appendix C4 – Expenses Estimate

Statement of expenses for the period ended
6 March 2023

Type of Expenditure	Requirement for Expenditure	Initial Expense Estimate
		£
Category 1 Expenses		
Professional Advisors' Costs:		
Legal fees and disbursements	Howes Percival LLP have been instructed to assist with all legal matters relating to the sale of the Reservoir and documentation required to complete the transfer of the parcel of land.	
	Howes Percival have been instructed because of their experience in an insolvency scenario. Howes Percival have confirmed their independence to this firm and also to the Company. Their fees have been agreed on a time costs basis plus disbursements plus VAT.	
	Property related fees:	2,635.50
	All other legal services provided included assisting with the transfer of the parcel of land:	1,429.00
Legal fees and disbursements	Knights Plc Solicitors have been instructed to assist with our investigations into the Company's affairs and the conduct of the Director pre appointment.	
	Knights fees have been agreed on a time cost basis plus disbursements plus VAT. This firm of lawyers was chosen based on their experience in insolvency matters.	10,000.00
	Their fees are estimated to be in the region of £10,000.	
Agent's - Marketing/ Selling fees and disbursements	Sanderson Weatherall have been instructed to assist with the sale and marketing of the reservoir.	
	Sanderson Weatherall were instructed because of their experience in providing marketing advice.	3,787.38
	Their fees have been agreed on a time cost basis plus disbursements plus VAT.	

Appendix C4 – Expenses Estimate

Supervising Engineer's Expenses	Stillwater Associates have been instructed to be Supervising Engineer of the reservoir and complete all documentations required to ensure the liquidators are compliant in accordance with the Reservoirs Act.	7,395.81
	Stillwater Associates have also been instructed to complete regular water level checks and site visits. Their fees have been agreed on a fixed fee basis.	
Agents - Security Fees	Humphrey & Gray Ltd have been instructed to implement the risk management recommendations set out by the Insurance provider.	975.00
	Their fees have been agreed on a fixed fee basis.	
Other Expenses: VAT Irrecoverable	This represents VAT that cannot be recovered as part of the purchase price of property related fees in this matter.	508.73
Insurance of assets	I am required to insure the Company's assets until they are disposed of. The value disclosed is based on a quote provided by my insurance brokers and covers the period from my appointment to 23 November 2022.	1,028.69
Auctioneer's Expenses	These are costs paid to the auctioneer for selling the reservoir.	375.00
Bank Charges	Charges on funds held in the insolvency estate	6.48
Office holders' disbursements:	Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds.	
Postworks	Postage - costs paid to third party provider, Postworks Limited for postage charges including circulars to creditors.	10.00
Statutory Advertising	Costs paid to Courts Advertising for statutory advertising requirements including London Gazette advertisements for notice of the appointment and notice of resolutions passed.	207.00
Specific bond	It is a legal requirement that I take out a specific bond in respect of the value of the assets. On the basis the assets recovered are likely to be in excess of £250,000.	315.00
Total Category 1 Expenses		28,673.59
Category 2 Expenses		

Appendix C4 – Expenses Estimate

These expenses require approval in the same manner as the office holder's remuneration		
Mileage	This expense represents the costs of the office holder and their staff in travelling to site.	102.99
Total Category 2 Expenses		102.99
Mazars LLP Remuneration		
Office holders' pre-appointment costs	As set out in Section 5 of the report, this amount represents the reasonable and necessary expenses in respect of the preparation of the Statement of Affairs and in respect of the deemed consent procedure to seek a decision from the company's creditors on the nomination of the liquidator, which have been drawn from the estate as an expense and as approved by creditors.	6,000.00
Office holders' post-appointment costs	To project manage the orderly winding up of the Company's affairs, and to perform those tasks required as dictated by statute, best practice and ethical requirements.	112,068.20
Total Mazars LLP Remuneration		118,068.20
Total		146,844.78

Appendix C5 – Rates & Expenses Policy

Charge-out rates

Details of the current charge-out rates of the personnel working on this case are set out below:

	Partner	Director	Associate Director / Manager	Senior Executive / Executive	Cashier	Support staff
Current charge out rate per hour effective from 1 September 2022 - 31 August 2023 (£)	550-660	484-540	308-480	198-280	154-308	132-180

Specialist departments within our Firm, (Tax and VAT) may charge a number of hours if and when their expert advice is required. The rate ranges above incorporate these different rates.

Charge-out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Expenses

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements.

Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

- Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
- Category 2 expenses: These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

It is proposed that the following Category 2 expenses incurred in administering the case be charged:

- Mileage will be charged at relevant HM Revenue & Customs prevailing rates, currently 45p per mile.

The Joint Liquidators reserve the right to increase the charges applicable to mileage in accordance with any increases in the prevailing rate set by HM Revenue & Customs. Any material amendments will be advised to creditors in the next statutory report.