

LIQ03

Notice of progress report in voluntary winding up



Companies House



1 Company details

Company number 0 6 4 5 6 3 5 8

Company name in full Knightsbridge Central (4) Limited

→ 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 C/O Mazars LLP

Street

Post town 45 Church Street

County/Region Birmingham

Postcode B 3 2 R T

Country

4 Liquidator's name

Full forename(s) Rebecca Jane

Surname Dacre

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number C/O Mazars LLP

Street

Post town 45 Church Street

County/Region Birmingham

Postcode B 3 2 R T

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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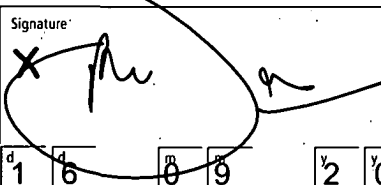
6 Period of progress report

From date	^d 2	^d 3	^m 0	^m 8	^y 2	^y 0	^y 1	^y 9	
To date	^d 2	^d 2	^m 0	^m 8	^y 2	^y 0	^y 2	^y 0	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	<div>Signature</div> <div></div> <div>X</div>								
Signature date	^d 1	^d 6	^m 0	^m 9	^y 2	^y 0	^y 2	^y 0	

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**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 **Phillip Shaughnessy**Company name **Mazars LLP**Address
45 Church Street
BirminghamPost town **B3 2RT**

County/Region

Postcode

Country

DX

Telephone
0121 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**

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This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

KNIGHTSBRIDGE CENTRAL (4) LIMITED - IN LIQUIDATION

Progress Report to the sole Member

This is the Liquidators' second annual progress report to the sole member.

1. Introduction

- 1.1. The purpose of this report is to provide the member with details of the progress of the liquidation during the 12-month period from 23 August 2019 to 22 August 2020 ("the current reporting period").
- 1.2. I was appointed as Joint Liquidator of the Company together with Mr S D Chandler at a meeting of members held on 23 August 2018.
- 1.3. I am authorised to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales and Mr S D Chandler is authorised in the UK by the Insolvency Practitioners Association.
- 1.4. Identification details relating to the Company and the Liquidators are attached at Appendix A.

2. Liquidators' Receipts and Payments

- 2.1. A summary of receipts and payments covering the current reporting period is attached at Appendix B. The receipts and payments account also covers the cumulative period from the date of appointment to 22 August 2020. A comparison of the figures provided in the directors' declaration of solvency to actual realisations made to date is also included to assist the members in assessing the progress made to date.
- 2.2. The receipts and payments account confirms that there is currently a cash balance in hand of £2,457,789.52.
- 2.3. An explanation of the assets realised, and the expenses paid, is provided below.

3. Asset realisations and details of progress

- 3.1. Assets realised during the period covered by this report comprise:
- 3.2. **Bank Interest Gross**
 - 3.2.1. Gross bank interest in the amount of £7,605.24 has accrued on the funds held by both the Joint Liquidators during the course of the reporting period, bringing the total level of interest earned since the appointment of the Joint Liquidators to £17,340.04.
- 3.3. No further assets were realised during the reporting period. Details of all other assets realised during the course of the liquidation were provided in my previous annual progress report.

4. Assets still to be realised

4.1. Assets still to be realised comprise:

4.2. Book Debts - £46,000

4.2.1. The directors' declaration of solvency listed book debts in the sum of £45,999.95 due to the Company. This asset will be distributed in specie once formal clearance has been received from HM Revenue & Customs in respect of all taxes.

4.3. Deferred Corporation Tax - £921

4.3.1. As previously reported, the directors' declaration of solvency listed deferred Corporation Tax due to the Company in the amount of £921. Following the filing of the final Corporation Tax return to the date of liquidation, it is now understood that the actual refund that will be due back to the Company in this regard will be in the region of £51,195. It is understood that HM Revenue & Customs may not release this amount until the group relief position for the broader Lancer Property Holdings group of companies has been finalised.

4.3.2. Once the Joint Liquidators are in a position to complete the final Corporation Tax return for the post liquidation period, which will be able to be submitted once the members agree that funds can be removed from being held in an interest bearing account, we will arrange for the same to be submitted to HM Revenue & Customs. Once submitted, we will request HM Revenue & Customs confirm their final position with regard to Corporation Tax due back to the Company, and request that this be paid over for the benefit of members.

4.4. Intercompany Debtor (Abbotstone, St Albans) - £700,000

4.4.1. The directors' declaration of solvency listed an intercompany debt due to the Company in respect of the consideration for the prior disposal of a property that was owned by the Company at Abbotstone, St Albans. This asset will be distributed in specie once formal clearance has been received from HM Revenue & Customs in respect of all taxes.

5. Liabilities

5.1. Secured Creditors

5.1.1. There are no secured creditors.

5.2. Preferential Creditors

5.2.1. There are no preferential creditors.

5.3. Unsecured Creditors

5.3.1. As previously reported, according to the directors' declaration of solvency, the Company had four unsecured creditors with debts totalling £3,502,188. Claims received to date total £3,419,436 from three creditors.

- 5.3.2. As previously reported, it is now understood that the account in respect of the claim from HM Revenue & Customs, in respect of Corporation Tax, is now in a credit position and a refund will be issued to the Company in this regard (as detailed at 4.4.1).
- 5.3.3. As required by insolvency legislation, an advertisement for creditors to claim was published on 3 September 2018.
- 5.3.4. No further claims have been received or paid during the current reporting period. Further details of all claims received
- 5.4. **Interest**
 - 5.4.1. No claims have been agreed or paid during the current reporting period, as such, no interest has been paid during the current reporting period.

6. Distributions to the member

- 6.1. **Cash distributions**
 - 6.1.1. There have been no cash distributions made in the current period.
- 6.2. **Distribution in specie**
 - 6.2.1. At the general meeting held on 23 August 2018, it was resolved that the Joint Liquidators be authorised to divide all or such part of the assets of the Company in specie to the member of the Company.
 - 6.2.2. No distribution in specie has been made to the member during the past twelve months.

7. Liquidators' Remuneration

- 7.1. A resolution was passed by the member enabling the Joint Liquidators to draw remuneration by reference to the time properly spent by the Liquidators and their staff in dealing with the matters arising during the Liquidation.
- 7.2. Attached at Appendix C1 is a summary of the Liquidators' time costs for the current reporting period. These costs total £8,317, which represents 33.80 hours at an average hourly rate of £246.07.
- 7.3. Due to changes in Statement of Insolvency Practice 9, I am now required to provide you with additional, proportionate information regarding my costs, to include an explanation as to why certain tasks were carried out and whether the work carried out provided a financial benefit to creditors and the member. Accordingly, please find attached at Appendix C2 a narrative summary of the work carried out during the current reporting period.
- 7.4. Total time costs incurred in the Liquidation to date amount to £28,146. This represents 124.80 hours at an average hourly rate of £225.53. Attached at Appendix C3 are details of the Liquidators' cumulative time costs since appointment.

- 7.5. Our engagement letter estimated that the time costs would be in the region of £5,000 to £6,500 plus VAT. Due to further work being completed outside the scope of our engagement letter, further fees in the amount of £16,368 plus VAT were approved on 6 September 2019. Further details of the additional work completed are provided in Appendix C2.
- 7.6. An amount of £16,368 has been drawn against the Liquidator's time costs in respect of the Liquidation during the current reporting period in accordance with our engagement letter and the further approval provided on 6 September 2019.
- 7.7. As at 22 August 2020, the total amount of £22,868 has been drawn against the Liquidators' time costs in respect of the Liquidation in accordance with our engagement letter and the further approval provided on 6 September 2019.
- 7.8. Routine administration of the liquidation has been dealt with by junior staff wherever possible in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Joint Liquidators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the Joint Liquidators.
- 7.9. 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 the case. The rates are appropriate to the skills and experience of the team members and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.
- 7.10. The charge out rates of the team members employed on the assignment during the period covered by this report have changed from the rates initially provided to the member, as follows:

Range (£)	Partner	Director	Associate Director/ Manager	Executive	Cashier	Support Staff
Current charge out rate per hour, effective from 1 September 2019	440.00 – 550.00	390.00 – 450.00	245.00 – 400.00	100.00 – 230.00	100.00 – 205.00	100.00 – 140.00
Previous charge out rate per hour, effective from 23 August 2018	440.00 – 500.00	390.00	215.00 – 335.00	80.00 – 190.00	90.00 – 190.00	90.00

8. Liquidators' Disbursements

- 8.1. Disbursements are expenses paid by this firm in the first instance and subsequently recharged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments to independent third parties) and Category 2 (costs incurred by the Liquidators or the firm that can be allocated to the case on a proper and reasonable basis).
- 8.2. Category 2 disbursements require approval in the same manner as remuneration and members will recall that a resolution was passed on 23 August 2018 by the member in agreement of the anticipated Category 2 disbursements of the Liquidators.
- 8.3. Further details of the rates agreed are provided within the Rates and Disbursements policy which was provided to the member on 23 August 2018 and which is available upon request.
- 8.4. Details of disbursements incurred in the period and whether they constitute Category 1 or Category 2 disbursements, is provided below. Details of disbursements paid during the period is provided within the attached receipts and payments account. The amount of disbursements paid during the period may be more than the amount incurred due to balances carried over from previous periods.

Type of Disbursement	Description	Amount incurred in period (£)
<u>Category 1</u>		
Legal Fees	Legal fees in the total sum of £750 were incurred with Shakespeare Martineau LLP at the onset of our engagement with the client. The legal fees incurred related to the drafting of an indemnity document through which Lancer Property Holdings Limited indemnified the Joint Liquidators in respect of the issue of interim distributions to members. These costs were duly recharged as a disbursement in the final reporting period and the sum of £250 represents the Partnership's share of said costs (as the deed of indemnity covered distributions for three separate liquidations).	250.00
	Total Category 1	250.00
<u>Category 2</u>		
	None.	
	Total Category 2	0.00
Total		250.00

- 8.5. Disbursements in the amount of £523 were incurred in the previous reporting period. Details of all other disbursements incurred and paid during the liquidation were provided in my previous annual report.

9. Expenses

- 9.1. Details of expenses paid during the current period are shown in the receipts and payments account at Appendix B.
- 9.2. I have reviewed the expenses incurred to date and I am satisfied that they are both necessary and reasonable in the circumstances of the case.

10. Matters outstanding

- 10.1. The liquidation will be able to be concluded once all clearances have been received from HM Revenue & Customs. Further to the comments at paragraph 4.4.1, it is understood that HM Revenue & Customs will neither repay the Corporation Tax refund that is understood to be due to the Company nor provide clearance for the liquidators to conclude the liquidation until such a time that the group relief position for the broader Lancer Property Holdings group of companies has been finalised. Once the liquidation bank account has been updated to operate on a non-interest-bearing basis, a final Corporation Tax return will be prepared and submitted to HM Revenue & Customs. The Corporation Tax account will then be fully up to date and we will be able to request that HM Revenue & Customs issue their clearance.
- 10.2. Once all clearances have been received from HM Revenue & Customs, we will declare a member distribution and proceed with the closure of the liquidation.

11. Members' Rights

11.1. Further information

- 11.1.1. I would advise you that, pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a member with concurrence of at least 5% of the total voting rights or a member with permission of the Court, may, within 21 days of receipt of this progress report, ask the Liquidator for further information about the remuneration and expenses set out in this progress report.

11.2. Apply to Court

- 11.2.1. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a member with concurrence of at least 10% in value of the total voting rights, or a member with the permission of the Court may, within 8 weeks of the receipt of this progress report, apply to the Court on one or more of the following grounds:
- a. That the remuneration charged by the Liquidators, or
 - b. That the basis fixed for the Liquidators' remuneration, or
 - c. That the expenses incurred by the Liquidators,
- is in all of the circumstances, excessive or inappropriate.



I trust that this is sufficient information for your requirements, but please do not hesitate to contact me should you need anything further.

A handwritten signature in black ink, appearing to be 'R. J. Dacre', enclosed within a hand-drawn oval.

R. J. Dacre
Joint Liquidator

Dated 16 September 2020

Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics. Where personal data is required to 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.

Knightsbridge Central (4) Limited**In Liquidation****Identification Details****Details relating to the Company**

Company name	Knightsbridge Central (4) Limited
Previous names	N/A
Trading name	Knightsbridge Central (4) Limited
Company number	06456358
Registered office	C/O Freeths LLP, Routeco Office Park, Davy Avenue, Knowlhill, Milton Keynes, MK5 8HJ
Trading address	C/O Freeths LLP, Routeco Office Park, Davy Avenue, Knowlhill, Milton Keynes, MK5 8HJ

Details relating to the Liquidators

Date of appointment	23 August 2018
Liquidators	S D Chandler and R J Dacre of Mazars LLP, 45 Church Street, Birmingham, B3 2RT IP No(s) 008822 and 009572
Liquidators' address	Mazars LLP, 45 Church Street, Birmingham, B3 2RT
Liquidators' contact telephone number	07469 034236

Knightsbridge Central (4) Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Declaration of Solvency £		From 23/08/2019 To 22/08/2020 £	From 23/08/2018 To 22/08/2020 £
	ASSET REALISATIONS		
	Bank Interest Gross	7,605.24	17,340.04
45,999.95	Book Debts	NIL	NIL
2,522,485.56	Cash at Bank	NIL	2,495,455.06
921.00	Deferred Corporation Tax	NIL	NIL
1,544,944.11	Freehold Property (St John St, Cardiff)	NIL	1,800,000.00
700,000.00	Intercompany Debtor (Abbotstone St Alb)	NIL	NIL
		<u>7,605.24</u>	<u>4,312,795.10</u>
	COST OF REALISATIONS		
	Bank Charges	NIL	50.00
	Joint Liquidators' Disbursements	259.34	754.34
	Joint Liquidators' Fees	16,368.00	22,868.00
	Stamp Duty Land Tax	NIL	24,700.00
	Statutory Advertising	NIL	253.80
		<u>(16,627.34)</u>	<u>(48,626.14)</u>
	UNSECURED CREDITORS		
(47,000.00)	HMRC re Corporation Tax	NIL	NIL
(1,579.50)	HMRC re VAT	NIL	3,706.17
(3,413,108.73)	Intercompany Loan (KC(7))	NIL	1,800,000.00
(40,500.00)	Other Creditors	NIL	2,621.40
		<u>NIL</u>	<u>(1,806,327.57)</u>
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>1,312,062.39</u>		<u>(9,022.10)</u>	<u>2,457,841.39</u>
	REPRESENTED BY		
	Floating Charge Current BARCLAYS		2,457,789.52
	Vat Receivable		51.87
			<u>2,457,841.39</u>

Appendix C1

**Knightsbridge Central (4) Limited
In Liquidation**

Analysis of Joint Liquidators' time costs for the period 23 August 2019 to 22 August 2020

Classification of Work Function	Hours					Total	Time	Av
	Partner	Director	Assoc. Director/ Manager	Executive	Support	Hours	Cost	hourly Rate
							£	£
Admin & Planning	0.00	0.00	1.10	1.10	0.00	2.20	410.50	186.59
Taxation	0.40	1.60	14.30	0.50	0.00	16.80	4,785.50	284.85
Reporting	0.00	0.20	2.40	3.70	0.00	6.30	1,227.00	194.76
Cashiering	0.20	0.00	1.30	3.60	0.00	5.10	1,029.00	201.76
Statutory & Compliance	0.70	0.20	1.20	1.30	0.00	3.40	865.00	254.41
Total Hours	1.30	2.00	20.30	10.20	0.00	33.80		
Total Time Costs (£)	596.00	825.00	5,352.50	1,543.50	0.00		8,317.00	
Av Hourly Rate	458.46	412.50	263.67	151.32	0.00			246.07

Knightsbridge Central (4) Limited In Liquidation

NARRATIVE SUMMARY OF THE JOINT LIQUIDATORS' TIME COSTS FOR THE CURRENT REPORTING PERIOD

Introduction

This summary provides details of the work carried out by the Joint Liquidators and their staff during the current period and includes an explanation as to why certain tasks were carried out and whether the work provided a financial benefit to creditors and the member.

This summary should be read together with the Joint Liquidators' Time Costs Analysis at Appendix C1. The costs incurred in relation to each category are set out in the attached Time Cost Analysis. This shows the time spent by each grade of staff by work category and provides the total cost and average hourly rate charged for each work category.

Work carried out in the current period

Administration and planning

- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system;
- Filing;
- Updates to the client regarding the strategy of the liquidation.

The majority of this work derived no financial benefit for the member. 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. 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

The following activities were undertaken in order to ensure the Company is compliant with tax requirements:

- Liaising with HM Revenue & Customs ("HMRC") and the client in respect of the option to tax on property holdings;
- Obtaining advice from tax team regarding the disposal of property holdings;
- Completion of post liquidation Corporation Tax returns;
- Liaising with VAT team regarding option to tax submissions required to be made to HMRC;
- Completion of periodic VAT returns;
- Leasing with HMRC regarding outstanding requests for clearance.

The majority of this work derived no financial benefit for the member, however, it is required in accordance with tax legislation.

Reporting

Reporting requirements during the period as prescribed by statute have included the following:

- Reporting the outcome of any meetings;
- Annual progress reports.

The majority of this work derived no financial benefit for the member. However, it is required in order to ensure that the case has been administered in line with regulatory requirements. It also provides members with an update in respect of the liquidation.

Cashiering

Cashiering work undertaken includes:

- Bank account maintenance, including periodic reconciliations;
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for the member. 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

The work undertaken as required by statute and our internal procedures involves:

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

The majority of this work derived no financial benefit for the member. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

Appendix C3

**Knightsbridge Central (4) Limited
In Liquidation**

Analysis of Joint Liquidators' time costs for the period 23 August 2018 to 22 August 2020

Classification of Work Function	Hours					Total	Time	Av
	Partner	Director	Assoc. Director/ Manager	Executive	Support	Hours	Cost	hourly Rate
Admin & Planning	0.00	0.80	7.10	4.50	0.00	12.40	£ 2,338.50	£ 188.59
Taxation	0.80	2.60	34.30	2.10	0.00	39.80	10,641.00	267.36
Realisation of Assets	0.00	3.60	1.20	1.70	0.00	6.50	1,821.00	280.15
Creditors	0.30	0.60	3.30	2.80	0.00	7.00	1,427.50	203.93
Reporting	0.00	0.20	4.70	5.80	0.00	10.70	1,922.50	179.67
Distributions	0.50	0.80	2.80	1.60	0.00	5.70	1,350.00	236.84
Cashiering	0.90	0.10	8.40	16.90	0.00	26.30	4,790.50	182.15
Statutory & Compliance	3.10	1.10	5.60	6.60	0.00	16.40	3,855.00	235.06

Total Hours	5.60	9.80	67.40	42.00	0.00	124.80		
Total Time Costs (£)	2545.00	3867.00	16428.50	5305.50	0.00		28,146.00	
Av Hourly Rate	454.46	394.59	243.75	126.32	0.00			225.53