

# AM22

## Notice of move from administration to creditors' voluntary liquidation



Companies House

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[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 9 8 8 0 0 0 3

Company name in full Pumpfields Regeneration Company Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Court details

Court name High Court of Justice, The Business and Property

Courts of England and Wales

Court case number 4 3 3 2 0 2 1

### 3 Administrator's name

Full forename(s) Finbarr

Surname O'Connell

### 4 Administrator's address

Building name/number 45 Gresham Street

Street

Post town London

County/Region

Postcode E C 2 V 7 B G

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

<b>5</b>	<b>Administrator's name ①</b>	
Full forename(s)	Colin	<b>① Other administrator</b> Use this section to tell us about another administrator.
Surname	Hardman	

<b>6</b>	<b>Administrator's address ②</b>	
Building name/number	45 Gresham Street	<b>② Other administrator</b> Use this section to tell us about another administrator.
Street		
Post town	London	
County/Region		
Postcode	E C 2 V 7 B G	
Country		

<b>7</b>	<b>Appointor/applicant's name</b>	
	Give the name of the person who made the appointment or the administration application.	
Full forename(s)	Moneything (Security Trustee) Limited	
Surname		

<b>8</b>	<b>Proposed liquidator's name</b>	
Full forename(s)	Finbarr	
Surname	O'Connell	
Insolvency practitioner number	7 9 3 1	

<b>9</b>	<b>Proposed liquidator's address</b>	
Building name/number	c/o Evelyn Partners LLP	
Street	45 Gresham Street	
Post town	London	
County/Region		
Postcode	E C 2 V 7 B G	
Country		

AM22

Notice of move from administration to creditors' voluntary liquidation

**10** Proposed liquidator's name<sup>①</sup>

Full forename(s)

Colin

Surname

Hardman

Insolvency practitioner  
number

1 6 7 7 4

**① Other liquidator**Use this section to tell us about  
another liquidator.**11** Proposed liquidator's address<sup>②</sup>

Building name/number

c/o Evelyn Partners LLP

Street

45 Gresham Street

Post town

London

County/Region

Postcode

E C 2 V 7 B G

Country

**② Other liquidator**Use this section to tell us about  
another liquidator.**12** Period of progress report

From date

d 0 8 m 0 9 y 2 0 y 2 3

To date

d 2 8 m 0 2 y 2 0 y 2 4

**13** Final progress report☒ I have attached a copy of the final progress report.**14** Sign and dateAdministrator's  
signature

Signature

X

Finlan O'Connell

X

Signature date

d 0 6 m 0 3 y 2 0 y 2 4

**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 **Jonathan Draper**

Company name **Evelyn Partners LLP**

Address **c/o RRS Department**

**45 Gresham Street**

Post town **London**

County/Region

Postcode **E C 2 V 7 B G**

Country

DX

Telephone **020 7131 4000**

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**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 and dated the form.

**Important information**

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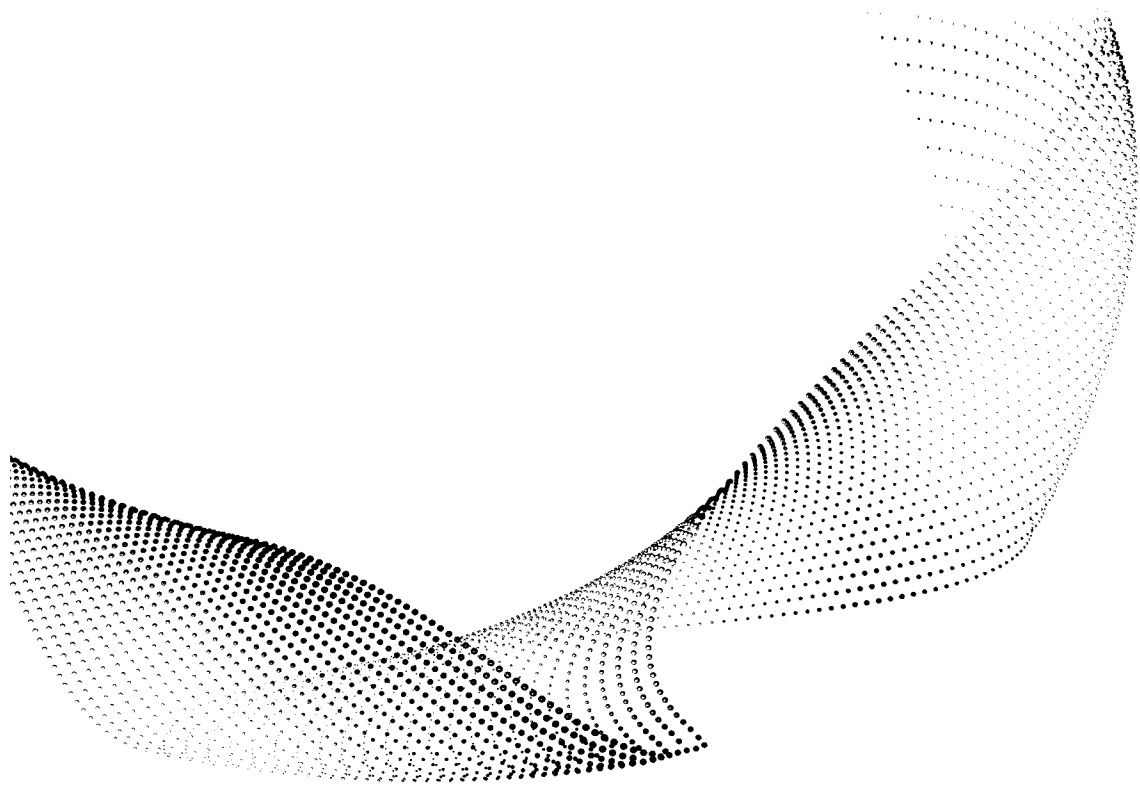
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The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

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# Pumpfields Regeneration Company Limited (in administration)

Joint administrators' final progress report

28 February 2024

**evelyn**  
PARTNERS

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# 1. Glossary

Abbreviation	Description
administrators/joint administrators	Finbarr O'Connell and Colin Hardman
CBRE	CBRE Ltd, the joint administrators' property marketing and sales agent
Committee	An informal committee formed of 5 Deposit Purchasers
Company	Pumpfields Regeneration Company Limited (Company Registration Number: 09880003)
CVL	Creditors' Voluntary Liquidation
Deposit Purchaser/s	A party which entered into a legally binding contract with the Company and which paid a deposit towards the purchase of a completed unit at the Metalworks
Director	Mr Daniel Johnson, appointed 12 February 2020
HMRC	His Majesty's Revenue and Customs
ION	ION Insurance Group S.A., the provider of an insurance bond in respect of the deposits paid by Deposit Purchasers
Metalworks / the Site	Freehold land on the east and west side of Gladstone Street, Liverpool and 4 Naylor Street, Liverpool L3 6DR and also including the Marble Hall Hotel, Vauxhall Road, Liverpool registered under title no. MS40256
Metalworks Buyers	Metalworks Buyers Limited (company number 10884868), now dissolved, formerly the holder of a legal charge over the Metalworks dated 16 July 2018
Moneything	Moneything (Security Trustee) Limited – in administration, the holder of Fixed and Floating Charges over assets of the Company, dated 24 May 2017, 25 May 2017 and 16 July 2018 and a Qualifying Floating Charge Holder
Proposals	The joint administrators' proposals for achieving the purposes/objectives of the administration of the Company
Purchaser	Gladstone St (Liverpool) Ltd
QFCH	Qualifying Floating Charge Holder - a secured creditor who has the power to appoint the administrators
Sch B1	Schedule B1 to the Insolvency Act 1986 If preceded by P this denotes a paragraph number
Secured Creditor	A creditor of the Company which holds, in respect of their debt, a security over the property of the Company (specifically, the property of the Company is the Metalworks, in the context of this report)
Security	Refers to any mortgage, charge, lien or other security
SIP	Statement of Insolvency Practice
SOA	Statement of Affairs
UN1	A unilateral notice entry made in respect of a registered property title at the Land Register about a third-party interest affecting a registered property estate title or charge
UN1 Holder/s	A party which has legally registered a UN1 against a registered property title, in this case, against the Metalworks property title
Veritas	Veritas Limited, the joint administrators' property security and management agent

## 2. Introduction

This report provides an account of the administration of the Company since the last progress report and a summary of the outcome of the administration of the Company. It should be read in conjunction with our proposals and our previous reports. By way of reminder, Finbarr Thomas O'Connell and Colin Hardman, of Evelyn Partners LLP, 45 Gresham Street, London, EC2V 7BG, were appointed as the joint administrators of the Company on 8 March 2021.

Statutory information in respect of the Company and the administration is set out at Appendix I.

## 3. The joint administrators' proposals

As previously advised the administrators must perform their functions with the purpose of achieving one of the following objectives:

1. Rescuing the Company as a going concern; or
2. Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up without first being placed into administration; or
3. Realising property in order to make a distribution to one or more secured or preferential creditors.

The objective pursued in this case was the second objective above and our strategy for achieving this objective was set out in our proposals, which were approved on 13 May 2021 by the general body of creditors.

We believe that we have achieved objective 2, as set out above, because our status as joint administrators has contributed to us achieving a better result for the Company's creditors as a whole than would have been likely if the Company were wound up (without first being in administration). This is, in particular, in relation to the preservation of value in the Company's assets which was enhanced by the moratorium, provided upon the Company entering into administration on 8 March 2021, over claims being enforced against the Company.

In addition, we have also achieved outcomes which are associated with objective 3 of the purpose of administration having:

- paid a distribution of £950,407 to Moneything under its fixed charge; and
- paid distributions totalling £161,834.10 to 13 Deposit Purchasers under their Security interest over the Metalworks.

## 4. Progress of the administration

Attached at Appendix II is our receipts and payments account for the period since 8 September 2023. This account also includes cumulative figures for the whole period of the administration from 8 March 2021 to the date of this report.

The receipts and payments account also includes a comparison with the director's SOA values.

### 4.1 Metalworks site

By way of reminder, the sole known asset of the Company was the Metalworks, which comprised a property development site located to the north of Liverpool city centre. Further background information regarding the Metalworks development can be found in our Proposals and also our previous progress reports.



We are pleased to confirm that the sale of the Metalworks successfully completed on 29 September 2023 for the sum of £1,733,500 plus VAT. The sum of VAT of £346,700, which was charged on the sale and paid by the Purchaser, has been paid over to HMRC by Moneything, on behalf of the Company, pursuant to the legal process of completing the sale of the Metalworks.

As a reminder, the joint administrators implemented an in-depth and lengthy marketing strategy, led by CBRE, to achieve what was considered to be the best value that could have been achieved in the market for the benefit of the Company's creditors. In accordance with formal valuation advice received from CBRE, we consider that this sale represented market value and further information regarding the marketing of the Site and the offers received can be found in our previous progress reports.

The amount due to the Secured Creditors, secured against the Metalworks, was at least £6,982,363, and, following the sale of the Metalworks and due to the extent of these claims, there has been a significant shortfall to the Secured Creditors' claims, which is set out in further detail at section 4.1.3.

We have detailed below the work undertaken during the reporting period which was required in order to progress towards completion of the sale of the Metalworks.

#### **4.1.1 Site maintenance**

Veritas continued to assist the joint administrators to maintain the Site in a safe and secure manner until its disposal. Following the sale of the Metalworks, we have continued to work with Veritas to deal with the removal of security equipment from the Site.

#### **4.1.2 Sale process**

As previously set out, the registered title to the Metalworks has been unusually complicated to deal with due to the large number of individual Security interests that had been attached to the land and the sporadic manner in which the relevant Security interests were created. This situation gave rise to a range of legal complexities regarding the manner in which the property could ultimately be sold. As previously reported, in line with legal advice received, we considered that we had three options available to us to facilitate a sale of the Metalworks on behalf of creditors:

1. Sale by consent of all Secured Creditors
2. Sale by overreaching
3. Sale by Court order

The joint administrators received consent to the sale of the Metalworks from all Secured Creditors who have priority and we were therefore able to achieve a sale by overreaching. Further detail on the different sale methods can be found in our previous reports.

#### **4.1.3 The outcome for creditors, both secured and unsecured, following the sale of the Site**

Whilst we were able to successfully achieve a significant increase on the value of bids received for the Metalworks during the course of the bidding process and we are confident that the process undertaken means that we have achieved full market value for the Site, the sale value will unfortunately be insufficient to pay all Secured Creditors in full.

Following completion of the sale of the Metalworks, a distribution of £950,407 was paid to Moneything from the net sale proceeds, under its fixed charge dated 24 May 2017, in partial repayment towards its outstanding loan balance of c.£3million as owed by the Company. An additional sum of VAT of £346,700, which was charged on the sale and paid by the Purchaser, has been paid over to HMRC by Moneything, on behalf of the Company, pursuant to the legal process of completing the sale of the Metalworks. It is anticipated that the net balance of funds owed to Moneything by the Company will be claimed under its floating charge secured over the Company's assets.

As previously set out, according to our analysis, 13 UN1 Holders held first priority in respect of the proportion of their relevant unbuilt apartment or airspace which falls predominantly within the Marble Hall section of the Site and a distribution of the net sale proceeds totalling £161,834.10 has been made to these parties in accordance with our analysis (which has been agreed by these parties). It is anticipated that the net balance of funds owed by the Company to these parties will form unsecured claims against the Company, however, we are aware that many UN1 Holders and Deposit Purchasers held an insurance policy in relation to the deposits paid by them, entered into with Ion, further details of which are found at section 4.1.5 of this report.

No surplus funds will be available for distribution from the net sale proceeds of the Metalworks to any other Secured Creditor.

As previously stated, as joint administrators, we are required to have regard to the interests of all of the Company's creditors (both secured (whether by legal or equitable charges) and unsecured) and we cannot simply decide to realise assets for the sole benefit of any particular Secured Creditor.

Administrators have a well-documented responsibility to act in a manner which is in the best interests of the creditors of the Company as a whole. We can only act in such a way as to realise assets for the sole benefit of the Secured Creditors if it is not possible to achieve a return for the preferential and/or the unsecured creditors (i.e. there are insufficient valuable assets to enable that outcome). Even then, we must not unnecessarily harm the interests of the creditors as a whole.

#### **4.1.4 Deposit Purchasers and UN1 Holders**

In late 2022/early 2023, we contacted all Secured Creditors, including all Deposit Purchasers and UN1 Holders, to inform them of their estimated return/payment from the net sale proceeds of the Metalworks, in accordance with their respective ranking Security interest. As previously reported, following detailed analysis of the various Security interests held by the Secured Creditors, we identified that 13 UN1 Holders held priority ranking over the unbuilt apartment or airspace which falls predominantly within the Marble Hall section of the Site and a distribution of the net sale proceeds has been made to these parties in accordance with our analysis (which has been agreed by these parties). These distributions, which total £161,834.10, were made during the reporting period and are reflected in the receipts and payments account at appendix II.

We appreciate that the security position is complicated and should any Deposit Purchaser have any queries in this regard we encourage them to contact us by email at [pumpfields@evelyn.com](mailto:pumpfields@evelyn.com).

#### **4.1.5 Deposit Purchasers Bond**

We are aware that the Company held an insurance bond with Ion for the purpose of protecting the deposits paid by Deposit Purchasers. We understand that the purpose of the bond is to refund Deposit Purchasers in respect of the differential between the deposit amount and the sums that are returned to the Deposit Purchasers in accordance with the relevant purchase contracts.

We have been in correspondence with Gordons Partnership, the solicitors to the bond provider, Ion. We understand from Gordons Partnership that, as the sale of the Metalworks has completed and the proceeds of sale have been distributed, Ion will begin to consider claims under the terms of the bond.

Deposit Purchasers are now asked to submit a claim to Gordons Partnership with:

- A copy of their signed purchase contract;
- A copy of their signed Bond certificate;
- Evidence of payment of the Deposit Sum;
- Any Notice of Rescission that was served upon Pumpfields; and
- Confirmation of any unilateral notice which is or had been registered against the Metalworks (along with a copy of any notice).

The above information should be issued as follows:

- By post: Mr Niall Mullins and Mr Derek Robins, Gordons Partnership, 22 Great James Street, London, WC1N 3ES
- By email: ;

#### **4.1.6 The Committee**

By way of reminder, the Committee was established following a voting process in which five Deposit Purchasers were elected (by the Deposit Purchaser group) to represent this creditor group, as a sounding board, in discussions with us in respect of (i) the disposal of the Metalworks and (ii) other areas of the administration.

Due to the sensitivities of some of the information which is discussed, the Committee members have entered into non-disclosure agreements with us and, as a result, there will be certain areas of the administration that the Committee members will be prevented from sharing with the wider Deposit Purchaser group and other parties. Please note that this will not relate to all matters discussed during the Committee meetings, but rather only to information which we consider to be commercially

sensitive or potentially harmful to future realisations if shared further. This is a common approach in relation to both formal and informal creditor committees which are established in insolvency cases of this nature.

The Committee will transfer over to the subsequent liquidation of the Company, should sufficient Committee members wish to remain in place (which we hope will be the case).

## 5. Investigations

Under the Company Directors Disqualification Act 1986 we have a duty to make a submission to the Secretary of State for the Department for Business and Trade on the conduct of all those persons who were directors at the date the Company entered into administration or who held office at any time during the three years immediately preceding the administration.

We have complied with our duty in this regard. As all submissions are strictly confidential, we are unable to disclose their content.

Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting (where held) or as a response to our request to complete an investigation questionnaire. Our investigations are ongoing and will be progressed further during the subsequent liquidation of the Company. We believe that there may be a prospect of successful claims being brought against a number of parties, however, there are no matters which are appropriate to further report to creditors at present, so as to not prejudice any potential legal actions and/or recoveries.

As a reminder, should any creditors have any information that they would wish to share with us in respect of our investigations, could they please do so as soon as possible, by email to [pumpfields@evelyn.com](mailto:pumpfields@evelyn.com).

## 6. The joint administrators' remuneration including pre-appointment remuneration

### 6.1 Pre-administration costs

As previously reported, the joint administrators' pre-administration costs were £20,511. These costs remain unapproved and unpaid and will be written off.

### 6.2 Joint administrators' remuneration

The basis of our remuneration, including the fees relating to the preservation and realisation of the Metalworks property, were approved by the Secured Creditors on 14 December 2023 pursuant to R18.18(4)(a) of the Rules (there being no formal creditors' committee).

We can confirm that time costs of £60,684.90 plus VAT have been incurred during the reporting period. This represents 131.78 hours at an average rate of £460.50 per hour. In addition, the Evelyn Partners VAT team has incurred time costs of £2,757.25, plus VAT, which represents 11.05 hours at an average rate of £249.52.

Since the outset of the administration, time costs of £502,530.90 plus VAT have been incurred by the joint administrators and their staff. This represents 1,333.78 hours at an average rate of £376.77 per hour. Moneything approved that fees totalling £300,000 can be drawn by the joint administrators against these costs on 14 December 2023.

In addition, the Evelyn Partners VAT team has incurred time costs of £18,449.25, plus VAT, which represents 44.05 hours at an average rate of £418.83. The Evelyn Partners Business Tax team has incurred time costs of £891, plus VAT, which represents 2 hours at an average rate of £446. We have obtained approval in respect of the fees of Evelyn Partners VAT team and Evelyn Partners Business Tax team in the sum of £10,000 plus VAT and £5,500 plus VAT, respectively.

During the reporting period, fees totalling £235,000 have been drawn in the administration. This amount includes fees totalling £225,000 drawn by the joint administrators and their staff and £10,000 drawn by the Evelyn Partners VAT team. No further fees have been drawn in the administration and the balance of approved fees totalling £80,500 will be drawn in the subsequent liquidation.

The work which has been undertaken in the current period is summarised below:

- **Administration & planning** – this includes dealing with statutory obligations including issuing statutory notifications of the administration, preparing and issuing the joint administrators' progress report for the period ended 7 September 2023, conducting regular file reviews and general maintenance of all statutory and best practice case matters. In addition, time incurred in administration and planning will involve maintaining our administration estate cashbook and making payments from the administration estate and dealing with the Company's tax affairs. The Evelyn Partners Business Tax team have been instructed to deal with any corporation tax obligations that arise following the completion of the sale of the Metalworks.
- **Investigations** – this includes reviewing the Company's books and records, including transactions carried out by the Company, and information provided by third parties to identify additional potential assets belonging to the Company or potential legal claims that can be pursued for the benefit of the Company's creditors. This work will also include contacting various parties to request further information regarding the Company's affairs prior to administration and in order to carry out an ongoing assessment of the conduct of the Company's directors in line with our obligations.
- **Realisation of assets** – this includes dealing with all matters relating to the Metalworks, including completing the sale of the Metalworks.
- **Creditors** – this includes correspondence with Moneything, the Deposit Purchasers and UN1 Holders, HMRC and the unsecured creditors. Significant time has been spent liaising with the UN1 Holders with regards to the calculation of their claims and facilitating the distributions in this regard.
- **Tax** – Evelyn Partners VAT Team have provided advice and assistance to the joint administrators in relation to the VAT clauses within the contract for the sale of the Metalworks, in investigating and confirming the VAT status of the Metalworks land and also in relation to the reregistration of the Company for VAT pursuant to the sale terms. Evelyn Partners Business Tax Team have been advising and assisting the joint administrators in relation to the completion of corporation tax returns in respect of the sale of the Metalworks. This work will be completed in the succeeding liquidation period.

A copy of "A creditor's guide to administrator's fees", as produced by R3, is available free on request or can be downloaded from their website as follows:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page1/administration-a-guide-for-creditors-on-insolvency-practitioner-fees/>

It should be noted that, whilst this statement makes reference to the need to provide creditors with a fees and costs estimate in the event that fees are being drawn on a time costs basis, this requirement only applies to appointments on or after 1 October 2015. Prior to this date, there was no statutory obligation to produce fees and costs estimates.

It is our intention that our unpaid remuneration will be drawn as an expense of the succeeding liquidation when sufficient funds become available.

In common with many professional firms, our scale rates rise to cover annual inflationary cost increases (which readers will be aware have been particularly high of late) and accordingly our rates rose on average by approximately 5% with effect from 1 January 2023. Rate reviews will be carried out annually. With effect from 1 January 2024 our rates have increased by 9.7%.

Details of Evelyn Partners LLP's charge out rates (including any changes during the period of this case) along with the policies in relation to the use of staff are provided at Appendix III.

## 7. The joint administrators' expenses

The tables at Appendix IV and Appendix V provide details of our expenses. Expenses are amounts properly payable by us as administrators from the estate. The tables exclude distributions to creditors. The tables also exclude any potential tax liabilities that we may need to pay as an administration expense because the amounts becoming due will depend on the position at the end of the tax accounting period.

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

### 7.1 Professional advisers

The table setting out details of the costs incurred and paid in respect of professional advisors can be found at Appendix IV. We have also indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis.

### 7.2 The joint administrators' expenses

No expenses have been incurred during the reporting period. The table at Appendix V provides details of the joint administrators' expenses incurred and paid during the administration.

### 7.3 Category 2 expenses (see Appendix V)

No category 2 disbursements have been incurred or paid during the reporting period. Business mileage totalling £66 has been incurred in prior periods and remains outstanding. Approval to recover business mileage, classified as a Category 2 expense, will be sought in due course. We do not anticipate that any further Category 2 disbursements will be incurred in the administration.

### 7.4 Policies regarding use of third parties and expense recovery

Appendix III provides details of Evelyn Partners LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

## 8. Outcome for creditors

The outcome for each class of creditor is set out below.

### 8.1 Secured creditors

Our understanding of the security position of the Company is summarised in the table below.

Charge holder	Type of charge	Date	Amount due £	Paid in current period £	Total paid at period end £
Moneything (i)	Fixed and Floating	24 May 2017	3,050,000		
Moneything (i)	Fixed	24 May 2017	Included within the above amount	950,407.00	950,407.00
Moneything (i)	Fixed	16 July 2018	Included within the above amount		
Metalworks Buyers (ii)	Legal charge	16 July 2018	tbc	-	-
Deposit Purchasers and UN1 Holders (iii)	Equitable lien	Various	3,932,363	161,834.10	161,834.10
<b>Total</b>			<b>tbc</b>	<b>1,112,241.10</b>	<b>1,112,241.10</b>

Notes:

- (i) Interest will be added to the amount owed to Moneything. A distribution of £950,407 was paid to Moneything from the net sale proceeds, under its fixed charge dated 24 May 2017, in partial repayment towards its outstanding loan balance

of c.£3,050,000 as detailed above and owed by the Company. An additional sum of VAT of £346,700, which was charged on the sale and paid by the Purchaser, was paid over to HMRC by Moneything on behalf of the Company, pursuant to the legal process of completing the sale of the Metalworks.

- (iii) Metalworks Buyers was dissolved on 13 September 2022. Following dissolution, all property and rights vested in, and held in trust for, Metalworks Buyers are deemed bona vacantia and will pass to the Crown. No details had been provided, prior to its dissolution, of any claim against the Company or confirmation of the amount due under the legal charge. Moneything and Metalworks Buyers entered into a Deed of Priority in August 2018 pursuant to which Metalworks Buyers agreed to subordinate to Moneything its security on the Metalworks property;
- (iii) The amount due to Deposit Purchasers and UN1 Holders of £3,932,363 is based upon information that we have received from the Company's books and records pursuant to our investigations. This amount was previously reported as £3,470,843 and the amended figure of £3,932,363 is inclusive of additional amounts that have been identified as being paid by Deposit Purchasers. Following detailed analysis of the various Security interests held by the Secured Creditors, we identified that 13 UN1 Holders held priority ranking over the unbuilt apartment or airspace which falls predominantly within the Marble Hall section of the Site and a distribution of the net sale proceeds has been made to these parties in accordance with our analysis (which has been agreed by these parties), totalling 161,834.10.

As a reminder, whilst we were able to successfully achieve a significant increase on the value of bids received for the Metalworks during the course of the bidding process and we are confident that the process undertaken will mean that we achieve full current market value for the site, the sale value is unfortunately insufficient to pay all Secured Creditors in full. In December 2022, we wrote to all Secured Creditors to inform them of their individual security position. If any Secured Creditor has not received this confirmation, please contact us at [pumpfields@evelyn.com](mailto:pumpfields@evelyn.com).

## **8.2 Prescribed Part**

The Company granted the floating charge to Moneything on 24 May 2017, as listed at section 7.1. Accordingly, we are required to create a Prescribed Part fund out of the Company's net floating charge property for unsecured creditors. Based on present information, we anticipate that the Company should have sufficient net floating charge property to enable a Prescribed Part fund to be created in the subsequent liquidation following the successful pursuit of claims against parties identified as a result of our investigations, however, we are unable to provide an estimate of the potential value of the fund at this juncture.

Any Prescribed Part distribution will be distributed by us in the subsequent liquidation, following the changes made by the Small Business, Enterprise and Employment Act 2015 with effect from 26 May 2015.

## **8.3 Ordinary preferential creditors**

No ordinary preferential claims have been received in the administration.

## **8.4 Secondary preferential creditors**

We have received a secondary preferential claim from HMRC in respect of VAT in the amount of £42,606. The secondary preferential creditors will only be entitled to receive a dividend after all the ordinary preferential creditors have been paid in full. At present there are insufficient funds to declare a dividend to the secondary preferential creditors. We have not therefore taken steps to agree the secondary preferential creditor claims.

## **8.5 Unsecured creditors**

We have received unsecured claims totalling £121,214 from 7 creditors. Total unsecured claims as per the director's SOA were £820,834 which includes the amount of £229,000 claimed by the director of the Company, Daniel Johnson. Based on present information, we anticipate that sufficient recoveries will be made to permit a dividend to the unsecured creditors of the Company other than through the Prescribed Part, if there are sufficient floating charge assets to allow such a fund to be created. However, we have not taken steps to agree unsecured creditor claims at this juncture.

## 9. Privacy and data protection

As part of our role as the joint administrators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at [www.evelyn.com/rrsgdpr](http://www.evelyn.com/rrsgdpr)

If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact us if you believe this applies.

## 10. Ending the administration

This is our final report as the joint administrators and covers the period ended 28 February 2024. However, our appointment as joint liquidators will only take effect once the Registrar of Companies registers the notice to this effect.

Consequently, there may be additional matters arising during this hiatus period and will be reported to the joint liquidators. In turn, the joint liquidators will provide creditors with this information.

Inevitably, any time costs for supplementary work will not have been disclosed in Section 6 of this report. Whilst these costs will not exceed the estimates already provided and the basis and approval to draw carries over into the liquidation, creditors should be aware that these costs will be drawn once in office as joint liquidators and a breakdown provided in the first progress report.

The administrators will be discharged from liability under P98(3) of Sch B1 following registration of the notice of move from administration to liquidation by the Registrar of Companies.

## 11. Creditors' rights

Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors or otherwise with the court's permission) may request in writing that the administrators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this report make an application to court on the grounds that, in all the circumstances, the basis fixed for the administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the administrators, as set out in this report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Finbarr Thomas O'Connell or Colin Hardman in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 45 Gresham Street, London EC2V 7BG or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

i) Email: [insolvency.enquiryline@insolvency.gov.uk](mailto:insolvency.enquiryline@insolvency.gov.uk)

ii) Telephone number: +44 300 678 0015

iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.



Finbarr Thomas O'Connell and Colin Hardman

The joint administrators

Date: 28 February 2024

Finbarr Thomas O'Connell and Colin Hardman have been appointed as the joint administrators of the Company on 8 March 2021.

The affairs, business and property of the company are being managed by the joint administrators as agents and without personal liability.

Both of the office-holders are authorised and licensed in the UK by the Institute of Chartered Accountants in England and Wales and are bound by their code of ethics. Further details of their licensing body along with our complaints and compensation procedure can be accessed at: [www.evelyn.com/insolvency-licensing-bodies](http://www.evelyn.com/insolvency-licensing-bodies)

The joint administrators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. Evelyn Partners LLP may act as a processor on the instructions of the joint administrators. Personal data will be kept secure and processed only for matters relating to the joint administrators' appointment.

The Fair Processing Notice in relation to the UK General Data Protection Regulation can be accessed at [www.evelyn.com/rrsgdpr](http://www.evelyn.com/rrsgdpr)

Should you wish to be supplied with a hard copy of any notice, attachment or document relating to a case matter, please contact the staff member dealing with this matter at any time via telephone, email or by post and this will be provided free of charge within five business days of receipt of the request.

The word partner is used to refer to a member of Evelyn Partners LLP. A list of members is available at the registered office.

Evelyn Partners LLP is registered in England at 45 Gresham Street, London EC2V 7BG No OC369631

Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities.



# Appendices





# I Statutory Information

Relevant Court	High Court of Justice, The Business and Property Courts of England and Wales
Court Reference	433 of 2021
Trading Name(s)	N/A
Trading Addresses	Land on the East & West side of Gladstone Street and 4 Naylor Street, Liverpool, L3 6DR
Former Name(s)	N/A
Registered Office	c/o Evelyn Partners LLP, 45 Gresham Street, London, EC2V 7BG (Formerly: 2nd Floor 20 Chapel Street, Liverpool, L3 9AG)
Company registration number:	09880003
The joint administrators	Finbarr Thomas O'Connell and Colin Hardman both of c/o RRS Department, 45 Gresham Street, London, EC2V 7BG (IP No(s) 7931 and 16774)  In accordance with P100 (2) Sch B1 1A 86 a statement has been made authorising the joint administrators to act jointly and severally.
Contact details	45 Gresham Street, London, EC2V 7BG, 020 7131 4230
Date of appointment	8 March 2021
Extension to the period of the administration	Extension to 7 March 2024 granted by the Court

## II Receipts and payments account

Receipts and payments account to 28 February 2024

Statement of Affairs £		From 08/09/2023 To 28/02/2024 £	From 08/03/2021 To 28/02/2024 £
	PROPERTY & LAND		
2,000,000.00	Land bordered by Vaxhaull Road	1,733,500.00	1,733,500.00
(2,000,000.00)	Moneything (Security Trustee) Limited	(950,407.00)	(950,407.00)
(3,915,776.00)	Deposit Purchasers	(161,834.10)	(161,834.10)
	VAT Payable accounted by Chargeholder	346,700.00	346,700.00
	Input VAT paid to HMRC	(346,700.00)	(346,700.00)
	Joint Administrators' Fee	(225,000.00)	(225,000.00)
	Joint Administrators' Fee - VAT team	(10,000.00)	(10,000.00)
	Joint Administrators' Expenses	(372.50)	(372.50)
	Architects' fees and expenses	NIL	(5,750.00)
	Security agent costs	(20,588.84)	(78,121.48)
	Structural engineer report	NIL	(12,000.00)
	Agents'/ Valuers' fees	(43,312.50)	(49,062.50)
	Agents'/ Valuers' expenses	NIL	(1,325.00)
	Legal fees	(62,875.00)	(103,375.00)
	Legal expenses	(2,285.00)	(9,408.00)
	Insurance	(1,238.32)	(2,031.28)
		255,586.74	124,813.14
	GENERAL FIXED CHARGE		
	Funding	NIL	150,000.00
	Funding Repayment	(196,535.61)	(196,535.61)
	Bank Interest FCR	3,934.72	4,383.47
	Bank Charges FCR	(47.50)	(51.30)
		(192,648.39)	(42,203.44)
	UNSECURED CREDITORS		
(229,000.00)	Directors	NIL	NIL
(591,834.25)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
(4,736,610.25)		62,938.35	82,609.70
	REPRESENTED BY		
	FCR Clients Deposit (Int Bearing)		5,133.53
	VAT Receivable Fixed Chg		77,476.17
			82,609.70

## Notes and further information required by SIP 7

- A distribution of £950,407 has been made to Moneything under its 24 May 2017 fixed charge upon completion from the net sale proceeds of the Metalworks on 29 September 2023, outside the period covered by this report.
- 161,834.10 from the net sale proceeds has been distributed to the relevant UN1 Holders, in line with the order of priority.
- Our remuneration was approved by the Moneything, on 14 December 2023. Fees totalling £235,000 have been drawn by the joint administrators in the reporting period. Of this amount, £225,000 has been paid against time incurred by the joint administrators and their staff and £10,000 has been paid to the Evelyn Partners LLP VAT team.
- No payments have been made to us from outside the estate.
- Details of significant expenses paid are provided in the body of our report.
- Information concerning our remuneration and expenses incurred is provided in the body of the report.
- Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report.
- All bank accounts are interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT.

## Notes and further information required by SIP 9

**Funding** – In order to maintain and preserve the value in the Metalworks, and in the absence of any available funding, we entered into an unsecured loan facility with a funding organisation. The funding facility is for a total of £150,000 and this amount, plus accrued interest of £46,535.61 was repaid from the net sale proceeds following the completion of the sale of the Metalworks.

# III Staffing, charging, subcontractor, and adviser policies and charge out rates

## Introduction

Detailed below are:

- Evelyn Partner LLP's policies in relation to:
  - Staff allocation and the use of subcontractors
  - Professional advisers
  - Expense recovery
- Evelyn Partners LLP's current charge out rates

## Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a partner and a partner or director or associate director or consultant as the joint office-holders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed, and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the case (including our cashiers (which is centralised in London), support and secretarial staff) charge time directly to the assignment and are included in any analysis of time charged. Each grade of staff has an hourly charge-out rate which is reviewed from time to time. Time up to 31 July 2020 is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof. The minimum time chargeable is one minute. We do not charge general or overhead costs.

It may be necessary to utilise staff from both the regional and London offices, subject to the specific requirements, eg, geographical location, of individual cases.

This case is predominantly being conducted from the London office.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

## Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add best value and service to the assignment.
- The expertise and experience of the service provider;

- The provider holds appropriate regulatory authorisations; and
- The professional and ethical standards applicable to the service provider.

Arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

External professional advisers are third party entities. The insolvency practitioners and their firm do not have any association with any external provider of services and therefore they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in Statement of Insolvency Practice 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in Statement of Insolvency Practice 9 and therefore do not require prior approval from the committee or creditors.

## Expenses

Category 1 expenses do not require approval by creditors. The type of expenses that may be charged as a Category 1 expense to a case generally comprise external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by Evelyn Partners LLP personnel in connection with the case.

Category 2 expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012 Evelyn Partners LLP's policy is to recover only one type of Category 2 expense, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 expenses.

Details of any Category 2 expenses incurred and/or recovered in the administration are set out in the body of this report.

## Charge out rates

A schedule of Evelyn Partners LLP's charge out rates was issued to creditors at the time the basis of the administrators' remuneration was approved.

The rates applicable to this appointment are set out below. Changes to the charge out rates during the administration were applied with effect from 1 January 2024.

Evelyn Partners LLP Restructuring & Recovery Services Charge out rates from 1 July 2020		London Office £/hr
Partner / Director		495-570
Associate Director		380-465
Managers		285-400
Other professional staff		125-465
Support & secretarial staff		105
Evelyn Partners LLP Restructuring & Recovery Services Charge out rates from 1 July 2021		London Office £/hr

Partner	590-610
Director / Associate Director	395-530
Managers	290-430
Other professional staff	130-280
Support & secretarial staff	100-120

<b>Evelyn Partners LLP Restructuring &amp; Recovery Services Charge out rates from 1 July 2022</b>	<b>London Office £/hr</b>
Partner	650-670
Director / Associate Director	420-570
Managers	280-460
Other professional staff	205-300
Support & secretarial staff	100-120

<b>Evelyn Partners LLP Restructuring &amp; Recovery Services Charge out rates from 1 January 2024</b>	<b>London standard £/hour</b>
Partner	765-790
Director / Associate Director	480-670
Managers	370-550
Other professional staff	175-320
Support & secretarial staff	105-135

#### Notes

- Up to 31 July 2020 time is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof.
- It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
- The firm's cashiering function is centralised and London rates apply. Up to 31 July 2020 the cashiering function time is incorporated within 'Other professional staff' rates. Following a change to our time reporting software, from 1 August 2020 the cashiering function time continues to be reported according to the seniority of staff undertaking the work in our time analyses and is split between 'Other professional staff', 'Managers' and 'Associate Director'.
- Partner includes a Consultant acting as an office-holder or in an equivalent role.



<b>Evelyn Partners LLP Corporate Tax Charge out rates from 1 January 2022</b>	<b>London office £/hr</b>
Partner / Director	590-950
Associate Director	430-535
Managers	230-460
Other professional staff	105-245
Support & secretarial staff	60-75

<b>Evelyn Partners LLP Corporate Tax Charge out rates from 1 July 2021</b>	<b>London office £/hr</b>
Partner / Director	550-890
Associate Director	400-500
Managers	215-430
Other professional staff	95-230
Support & secretarial staff	55-70

<b>Evelyn Partners LLP Corporate Tax Charge out rates from 1 July 2020</b>	<b>London office £/hr</b>
Partner / Director	625-740
Associate Director	500
Managers	270-430
Other professional staff	95-230
Support & secretarial staff	65



## IV Professional advisers

Name of professional advisor & service supplied	Task	Basis of fee arrangement	B/f from previous period £	Costs incurred in current period £	Costs paid in current period £	Total costs incurred £	Total costs paid £	Total costs outstanding at period end £	Revised estimate b/f £	Variance £
Veritas (Note 1) Maintenance and security of the Site	Maintaining the Metalworks site pending sale	Monthly rental charges, fixed service rates	17,678.00	8,583.73	20,588.84	83,794.37	78,121.48	5,672.89	78,186.00	5,608.37
Wedlake Bell Legal advice	General advice	Hourly rate and expenses	35,944.00 -	13,750.00 1,500.00	30,750.00 2,250	49,694.00 2,250.00	44,250 2,250.00	5,444.00 -	48,944.00 -	750.00 2,250.00
Wedlake Bell Legal advice	Administration extension	Hourly rate and expenses	10,290.00 -	- -	- -	17,790.00 4,518.00	7,500.00 4,518.00	10,290.00 -	17,790.00 -	- -
Wedlake Bell Finance facility	Finance facility	Hourly rate and expenses	2,875.00 -	- -	1,000.00 -	8,875.00 -	7,000.00 -	1,875.00 -	8,875.00 -	- -
Wedlake Bell	Maintaining & preserving the Metalworks site pending sale	Hourly rate and expenses	16,338.00 -	4,000.00 -	18,250.00 -	31,838.00 2,605.00	29,750.00 2,605.00	2,088.00 -	31,838.00 2,605.00	- -
Wedlake Bell Conveyancing	Conveyancing (Note 4)	Hourly rate and Expenses	18,669.00 -	- 35.00	12,875.00 35.00	18,669.00 35.00	12,875.00 35.00	5,794.00 -	18,669.00 -	- 35.00
CBRE Planning appraisal	Preparing the Metalworks for marketing	Fixed Fee	-	-	-	5,750.00	5,750.00	-	5,750.00	-
CBRE Advice & assistance	Marketing & sale of the Metalworks	Fixed Fee	9,050.00	0.00	6,788.00	9,050.00	6,788.00	2,262.00	9,050.00	-
CBRE Sale disposal	Marketing & sale of the Metalworks	1% of sale value (subject to a minimum of £20,000)	-	20,000.00	20,000.00	20,000.00	20,000.00	-	20,000.00	-
CBRE Security analysis	Security analysis	Hourly rate and expenses	8,700.00	-	6,525.00	8,700.00	6,525.00	2,175.00	8,700.00	-

Name of professional advisor & service supplied	Task	Basis of fee arrangement	B/f from previous period £	Costs incurred in current period £	Costs paid in current period £	Total costs incurred £	Total costs paid £	Total costs outstanding at period end £	Revised estimate b/f £	Variance £
CBRE General advice	General advice	Hourly rate and expenses	10,000.00	-	10,000.00	10,000.00	10,000.00	-	10,000.00	-
Muir Associates Structural engineers	Preparing the Metalworks for marketing	Fixed Fee	5,000.00	-	-	17,000.00	12,000.00	5,000.00	17,000.00	-
Brock Carmichael Architects	Preparing the Metalworks for marketing	Fixed Fee	-	-	-	5,750.00	5,750.00	-	5,750.00	-
Richard Barber & Co	Advertising	Fixed Fee	-	-	-	1,325.00	1,325.00	-	1,325.00	-
Marsh Insurance brokers	Maintaining the Metalworks site pending sale	Insurance premiums	1,123.00	115.32	1,238.32	1,238.32	2,031.28	-	1,916.00	(677.68)
<b>Total (Note 1)</b>			<b>135,667</b>	<b>47,984</b>	<b>130,300</b>	<b>298,882</b>	<b>259,074</b>	<b>38,721</b>	<b>290,947</b>	<b>7,965.69</b>

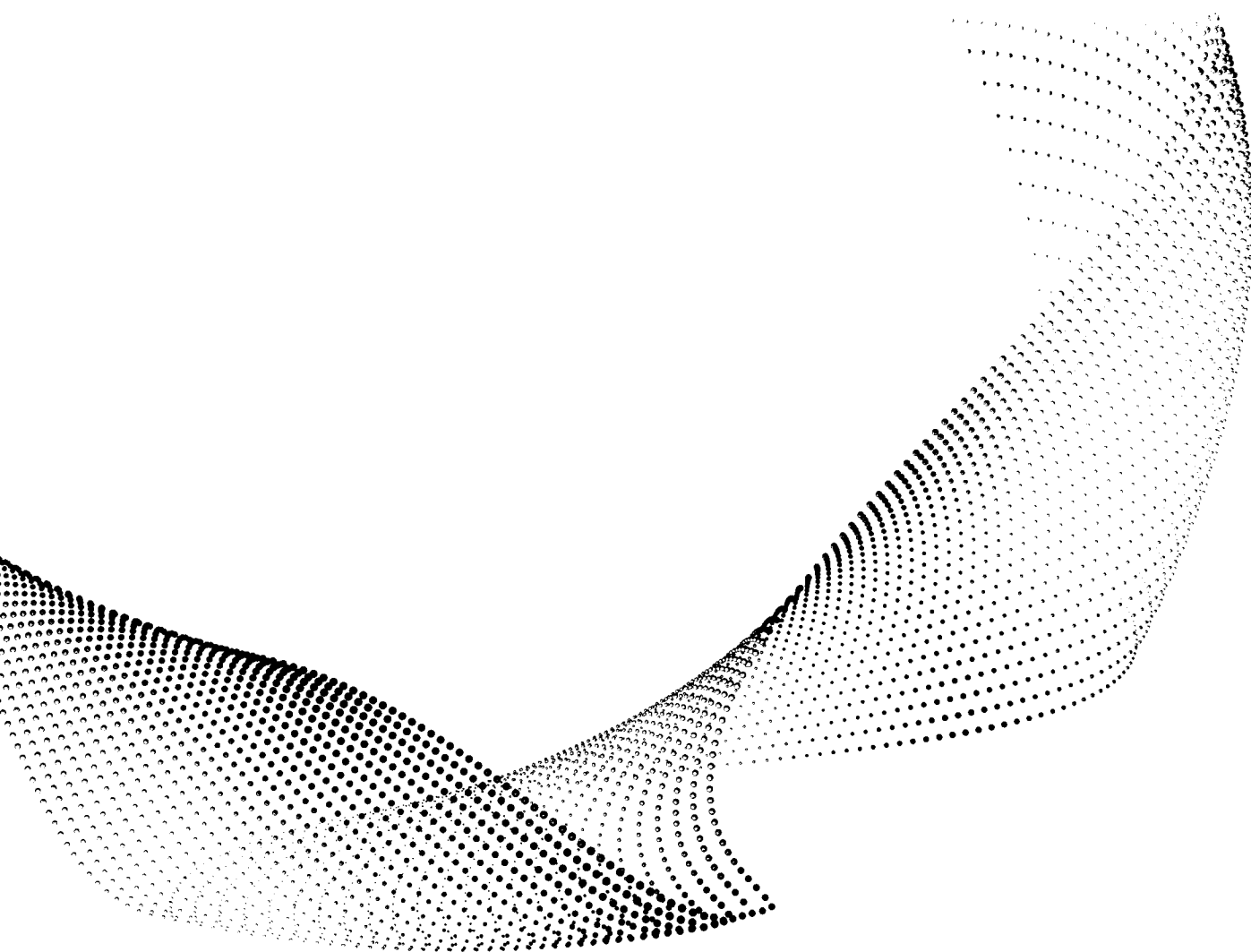
Notes:

- 1) Both CBRE and Wedlake Bell have agreed to write off their outstanding costs at the end of the administration. Any additional outstanding costs will be paid in the succeeding liquidation process.

## V The joint administrators' expenses

Description	Revised estimate £	B/F from previous period £	Costs incurred in current period £	Cumulative total £	Estimate for future £	Anticipated future total £	Variance – initial to anticipated £	Costs paid in current period £	Total costs outstanding at period end £
Statutory advertising	95	95	-	95	-	95	-	95	-
Mail redirection	216	216	-	216	-	216	-	216	-
Joint administrators' bonds	140	140	-	140	-	140	-	-	140
Land registry searches	6	6	-	6	-	6	-	6	-
Travel	394	181	-	181	-	181	-	-	181
Auto entry credits (bank statement analysis)	56	56	-	56	-	56	-	56	-
Category 2 expenses (see Appendix III)	66	66	-	66	-	66	-	-	66
<b>Total (Note 1)</b>	<b>973</b>	<b>760</b>	<b>-</b>	<b>760</b>	<b>-</b>	<b>760</b>	<b>-</b>	<b>373</b>	<b>387</b>

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.



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Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

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