

The Insolvency Act 1986

Administrators' progress report

Name of Company

Castleway Ventures Limited

Company number

03229638

In the
High Court of Justice, Chancery Division,
Companies Court

(full name of court)

Court case number
1973 of 2010(a) Insert full
name(s) and
address(es) of
administrator(s)We (a)
David J Dunckley
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YUIan S Carr
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

joint administrators of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 8 March 2013

(b) 7 September 2013

Signed

Joint Administrator

Dated

4 October 2013

Contact Details

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the

David J Dunckley
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

DX Number

020 7184 4300
DX Exchange

TUESDAY



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08/10/2013

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COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff



Our Ref DJD/JAR/TWW/C04002C/PF7

To the creditors

4 October 2013

Dear Sirs

Recovery and Reorganisation

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4 Hardman Square
Spinningfields
Manchester M3 3EB

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Castleway Ventures Limited - In Administration (the Company)
High Court of Justice, Chancery Division, Companies Court
No 1973 of 2010

1 INTRODUCTION

- 1.1 Following my appointment as joint administrator of the Company with Ian Carr by a qualifying floating charge holder on 8 March 2010, I now report on the progress of the Administration to date and attach
- Appendix A, Form 2.24B, together with an account of our receipts and payments for the period from 8 March 2010 to 7 September 2013 and also for the whole Administration to date
 - Appendix B, an analysis of our time costs as required by Statement of Insolvency Practice 9
 - Appendix C, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator (Rule 2.48A)
 - Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses, if excessive (Rule 2.109)
- 1.2 Please note that both Ian Carr and I are authorised by The Insolvency Practitioners Association to act as insolvency practitioners
- 1.3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them

2 STATUTORY INFORMATION

- 2.1 The Company's statutory details are as follows

registered number	03229638
date of incorporation	25 July 1996
registered office	Unit 8 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RH

Chartered Accountants

Member firm within Grant Thornton International Ltd

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales. No. 00307742. Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP. A list of members is available from our registered office.

Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address

authorised share capital	£100,000
issued share capital	£50,000
Directors.	Shareholding
Christopher Robert Charlton	10,000
Secretary	Shareholding
Benjamin James Robert Charlton	5,000
(according to Companies House Mr B Charlton resigned as Company Secretary without being replaced on 01/12/2009)	

3 SUMMARY OF ADMINISTRATORS' PROPOSALS

3 1 The joint administrators' proposals for the Company, which were circulated to the creditors on 29 April 2010, and subsequently approved, are summarised below

- The joint administrators will pursue the objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up
- This objective will be achieved by the joint administrators continuing to manage the business of the Company whilst seeking to realise the Company's freehold and leasehold property interests
- With the exception of the winding up petition, which by virtue of the Administration order has now been suspended during the course of the Administration, I am not aware of any other proceedings having been brought against the Company. However, if any such proceedings come to light I will continue the Company's defence to these proceedings, so far as I believe appropriate, bearing in mind the objective of selling the Company's assets and mindful of the need to balance the costs of continuing the defence as against the potential detriment to creditors of abandoning the defence if it appears that funds may be available to the creditors following the conclusion of the Administration
- It is proposed that the Administration will end by the Company going into dissolution as there will be no monies available to the unsecured creditors

4 ASSETS AND LIABILITIES

4 1 The Company's assets are comprised as follows, to which HSBC Bank Plc (the Bank) held fixed charge security over

Freehold Properties

- The Pink Geranium
- 3a The Parade
- 404-406 North End Road, Fulham (NER)

Freehold Land

- The land adjacent to the Pink Geranium

Leasehold property

- The Sheene Mill

4 2 Following the disposal of all five properties, the Bank's debt has not been discharged in full. Therefore, there will be no funds available for a distribution to the unsecured creditors.

4 3 Given that floating charge realisations in this case were negligible there will be no funds available via the prescribed part for unsecured creditors.

5 CONDUCT OF THE ADMINISTRATION

5 1 On 23 September 2011, with the approval of the Bank and on advice from our marketing agents, the freehold property, the Pink Geranium and the adjacent land was sold for a combined total of £540,000.

5 2 On the same date, with the approval of the Bank the freehold property at 3a The Parade was also sold with sales proceeds totalling £100,000.

5 3 The joint administrators appointed solicitors to review the position regarding the lease in respect of the Sheene Mill property at 37-39 Station Road.

5 4 Upon review, it was decided that the lease would generate little, or no net value for the estate and therefore it would not be in the commercial interest of the Company to continue the lease. Based on this information and following legal advice, on 25 September 2012 the joint administrators agreed to terminate the lease agreement in respect of the Sheene Mill for a fee of £5,000.

5 5 As previously reported, following my appointment the tenants of NER, Kiwi Kitchens (KK) ceased to trade and a mutual surrender of the lease was agreed with KK.

5 6 Following a marketing campaign an offer of £575,000 was received for NER. With the approval of the Bank and on advice from agents the offer was accepted. The sale was completed on 27 July 2013.

5 7 Prior to the completion of the sales detailed in the above paragraphs, rental income totalling £19,074.20 was collected from leasehold tenants.

6 EXTENSION OF THE ADMINISTRATION

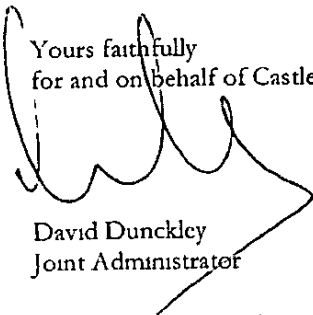
- 6.1 The Administration was due to expire on 7 March 2013. However, the Company's assets had not been realised in full. Therefore, pursuant to paragraph 76(2)(b) of Schedule B1 of the Insolvency Act 1986, the joint administrators made an application to the Court to extend the Administration for a further twelve months.
- 6.2 The application was granted by the Court and the revised date for the automatic termination of the Administration is 7 March 2014.
- 6.3 There are insufficient floating charge realisations to make a distribution to the preferential creditors. Accordingly, authority from the preferential creditors to extend the Administration was not sought.

7 JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

- 7.1 Our fees for acting as joint administrators have been fixed by reference to our time costs. I attach at Appendix B a schedule of the time costs for the Administration for the period from 8 March 2010 to 7 September 2013, which total £257,180 representing 1028 hours at an average of £250 per hour. Disbursements incurred in this period total £532.
- 7.2 Following approval of our remuneration from the Bank, fees of £135,000 have been drawn to date together with disbursements totalling £431.
- 7.3 Background information regarding the fees of administrators can be found at www.insolvency-practitioners.org.uk (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively, we will supply this information by post on request. Time is charged in 6 minute units.

Should you have any queries, please contact Tom Walls on 020 7865 2811

Yours faithfully
for and on behalf of Castleway Ventures Limited



David Dunckley
Joint Administrator

The affairs, business and property of Castleway Ventures Limited are being managed by David Dunckley and Ian Carr, appointed as joint administrators on 8 March 2010

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Castleway Ventures Limited - in administration
Summary of receipts and payments
from 8 March 2010 to 7 September 2013

	Statement of Affairs £	From 08-Mar-10 to 07-Mar-13 £	From 08-Mar-13 to 07-Sep-13 £	Total £
Receipts				
Freehold Land & Property	1,179,410 76	640,000 00	575,000 00	1,215,000 00
Leasehold Land & Property	75,000 00	5,000 00	0 00	5,000 00
Bank Interest		3 82	5 44	9 26
Tax Refunds		52 20	0 00	52 20
Misc Fixed Receipts		809 12	0 00	809 12
Rent		18,645 76	428 44	19,074 20
Contracts	121 50	121 50	0 00	121 50
		664,632 40	575,517 54	1,240,149 94
Payments				
Heat & Light		1,572 51	0 00	1,572 51
Professional Fees	(10,839 86)	11,419 96	226 00	11,645 96
Repairs & Maintenance		0 00	1,874 16	1,874 16
Property Expenses		2140 20	650 00	2,790 20
Advertising		75 60	0 00	75 60
Administrators Fees	(100,000)	50,000 00	85,000 00	135,000 00
Administrators Expenses		393 12	37 71	430 83
Legal Fees	(50,000)	38,268 39	57,174 89	95,443 28
Agents/Valuers Fees	(38,080)	3,650 00	11,500 00	15,150 00
Insurance	(11,811 50)	20,355 24	7,617 79	27,973 03
VAT irrecoverable	(37,496 04)	636 04	0 00	636 04
Misc Fixed Payments		50 00	0 00	50 00
Bank Charges		417 63	66 99	484 62
Chargeholder	(1,738,246)	515,000 00	370,000 00	885,000 00
Corporation Tax		104 26	0 00	104 26
Vat Receivable		1,917 86	550 04	2,467 90
Fixed Ch Vat Receivable		17,604 48	17,429 38	35,033 86
Fixed Ch Vat Payable		0 00	12,968 10	12,968 10
		663,688 95	565,095 06	1,228,784 01
Net Receipts/(Payments)		943 45	10,422 48	11,365 93
Made up as follows				
Fixed Current Acct		943 45	10,422 48	11,365 93

B SIP 9 information

Introduction

The following information is provided in connection with the administrators' remuneration and disbursements in accordance with SIP 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

	From 01/07/09	From 01/07/10	From 01/07/11	From 01/07/12	From 01/07/13
	£	£	£	£	£
Partners up to	510	535	560	580	600
Managers up to	385	405	425	440	455
Administrators up to	275	285	300	310	320
Assistants and support staff up to	190	195	205	210	220

Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.

Columbus - C30204002 - SIP 9 TIME COST ANALYSIS

Job(s) Castleway Ventures Limited, CMU Castleway Ventures Limited

Transaction period All transactions

Appendix B

Export version - standard Export version - detail Detailed Version

Standard	Partner			Manager			Executive			Administrator			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	2.90	217.50	75.00	14.05	7,323.50	521.25	80.55	30,410.75	377.54	245.95	35,896.50	145.95	491.22	108,053.95	219.97
Creditors				52.10	19,945.00	382.82	31.15	8,848.00	284.04	11.15	1,589.75	142.58	94.40	30,382.75	321.85
Hiatus period													00	00	
Investigations				3.30	1,099.00	333.03	22.90	5,728.50	250.15	1.80	270.75	150.42	28.00	7,098.25	253.51
Realisation of Assets				207.60	73,980.75	356.36	61.65	15,383.50	249.53	118.77	17,913.93	150.83	388.02	107,278.18	276.48
Trading				4.50	1,508.75	335.28	5.00	1,100.00	220.00	16.70	1,726.00	103.35	26.20	4,334.75	165.45
Unclassified										20	32.00	160.00	20	32.00	160.00
Total	2.90	217.50	75.00	14.05	7,323.50	521.25	348.05	126,944.25	364.73	394.57	57,428.93	145.55	1,028.04	257,179.88	250.17

Total fees billed to date (Time) £ 135,000

C An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator

Rule 2 48A

- (1) If
 - (a) within 21 days of receipt of a progress report under Rule 2 47 -
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the administrator considers that
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of -
 - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

D An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses if excessive

Rule 2 109

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
 - (a) the remuneration charged by the administrator,
 - (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
 - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
 - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration