

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

Court case number
1973 of 2010

(a) Insert full name(s) and
address(es) of
administrator(s)

We David John Dunkley and Ian Carr of
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

8 March 2010

7 September 2010

(b) Insert dates

Signed

Joint Administrator

Dated

7 October 2010

SATURDAY



AWUAP03Q

A22

09/10/2010

365

COMPANIES HOUSE



Grant Thornton

Our Ref TWW/OLH/DJD/C04002/PF7

TO THE CREDITORS

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7 October 2010

Dear Sirs

Castleway Ventures Limited - In Administration (the Company) High Court 1973 of 2010

1 INTRODUCTION

- 1 1 Following my appointment together with my partner Ian Carr as administrators of the above company by a qualifying floating charge holder on 8 March 2010, I now comment on the progress of the administration to date
- 1 2 I enclose Form 2 24B and an abstract of my receipts and payments account for the period from 8 March 2010 to 7 September 2010
- 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
- 1 4 The administration constitutes "main proceedings" under the EC Regulation on Insolvency Proceedings

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
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 PROPOSALS FOR ACHIEVING THE OBJECTIVE OF THE ADMINISTRATION

3 1 The joint administrators' proposals for the Company, which were circulated to the creditors on 15 February 2010, and subsequently approved, are summarised below

- The administrator 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. However, further to formal valuations of the properties, it seems unlikely that there will be a dividend to any class of creditor other than the secured
- This objective will be achieved by the administrator continuing to manage the business of the company whilst seeking to realise the Company's freehold and leasehold property interests
- It was proposed that the administration will end by the company going into creditors voluntary liquidation. However, if there are no monies available for unsecured creditors, the administration will end by way of dissolution. If the company is placed into creditors voluntary liquidation it was proposed that the administrators in office at that date will be appointed liquidators, and any act in the liquidation to be done by any one or more of the liquidators. However, creditors may nominate a different liquidator or liquidators if nomination to that effect is received before the approval of these proposals

4 ASSETS AND LIABILITIES

- 4 1 The Company's assets comprise four freehold properties and one leasehold property. HSBC Plc (the Bank) holds fixed charge securities over all of these assets
- 4 2 Appendix A shows the directors' valuation of the properties and the receipts and payments account covering the period 8 March 2010 to 7 September 2010
- 4 3 Current valuations indicate that it is unlikely that the Bank's debt will be discharged in full. Therefore I do not anticipate that there will be funds available for the unsecured creditors in this case

- 4 4 I do not anticipate that there will be a prescribed part carve out for unsecured creditors as floating charge realisations are likely to be less than the prescribed amount

5 CONDUCT OF THE ADMINISTRATION

- 5 1 The only operations that the Company conducted was the collection of rental income from its freehold and leasehold properties. I have continued to conduct these operations whilst I seek to realise the Company's assets
- 5 2 My first priority was to secure, as far as possible, the assets of the company. To this end I have ensured that the properties are adequately insured and that, where vacant, they comply with the insurers empty property code of practice
- 5 3 I concluded that the best way of achieving the objective of the administration was to attempt to sell the assets, being the Company's freehold and leasehold property interests on a piecemeal basis. I duly detail below the progress as to the sale of the Company's properties

404/406 North End Road, Fulham - Freehold Property

- 5 4 This site comprised of a restaurant leased to Kiwi Kitchens and 6 flats sold on long term leases
- 5 5 Since our appointment, Kiwi Kitchens have ceased to trade and we have completed a mutual surrender of the lease from the tenant. I continue to collect ground rent for the leasehold flats
- 5 6 I have instructed agents to market the site. There have been some expressions of interest and our agents are in discussions with them

25 Station Road, Melborne, South Cambridgeshire & Adjacent land - Freehold Properties

- 5 7 This site is comprised of a freehold property leased to an Indian restaurant. Adjacent to this site is a further freehold site belonging to the Company, comprising of 1/4 acres of land
- 5 8 I have instructed agents to market the properties, and have accepted an offer from a third party on the property and the adjacent land. I have issued head of terms, which are in the process of being finalised

37 to 39 Station Road, Melborne, South Cambridgeshire - Leasehold property

- 5 9 The Company holds the leasehold interest in this site, which is sub-let to a third party
- 5 10 I have instructed agents to market this site. At present there are no firm expressions of interest however I will continue to actively market the site

3a The Parade, Sutton, Surrey - Freehold property

- 5 11 This site consists of two units, one tenanted and the other is vacant
- 5 12 I have instructed agents to market this site At present there is one interested party, whom I am in discussion with

6 ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

- 6 1 In accordance with Statement of Insolvency Practice 9 (SIP 9), I attach as Appendix B a summary of my time costs to 7 September 2010 by grade of staff and type of work.
- 6 2 Time costs to date amount to £71,509, representing 258 hours at an average of £277 per hour In addition, disbursements of £268 59 have also been incurred (Appendix C)
- 6 3 The standard charge out rates for the Recovery and Reorganisation Department at Grant Thornton UK LLP are detailed in Appendix D
- 6 4 As previously advised, it was my intention to seek approval for my remuneration from the secured creditor of the Company in accordance with Rule 2 106 Schedule 5A(a) of the Insolvency Act 1986 My remuneration is yet to be approved by the charge holder
- 6 5 Background information regarding the fees of administrators can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees') Alternatively I will supply this information by post on request

Should you have any queries please do not hesitate to contact my colleague 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 of the Company on 8 March 2010

CASTLEWAY VENTURES LIMITED - IN ADMINISTRATION

JOINT ADMINISTRATORS' ABSTRACT OF RECEIPTS AND PAYMENTS

FOR THE PERIOD FROM 8 MARCH 2010 TO 7 SEPTEMBER 2010

	Estimated to Realise	Realised to date
		£
RECEIPTS		
Freehold Land and Property	1,435,000 00	-
Rent	-	3,850 00
Insurance	-	267 96
Contracts	-	121 50
TOTAL RECEIPTS	<u>1,435,000 00</u>	<u>4,239 46</u>
PAYMENTS		
Bank Charges		66 15
Trade Creditors		
Heat and Light		170 65
Advertising		75 60
TOTAL PAYMENTS		<u>312 40</u>
Balance held as at 7 September 2010		<u>3,927 06</u>

Castleway Futures Limited - In Administration

SIP 9 WIP ANALYSIS FOR THE PERIOD FROM 8 MARCH 2010 TO 7 SEPTEMBER 2010	Partner		Manager		Senior		Admin/Support		Total		Average Hourly Rate
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	
Administration and Planning	3 00	1,596 00	34 00	11,765 00	62 00	13,587 00	13 00	2,227 00	113 00	29,174 00	258 00
Investigations	0 00	0 00	2 00	759 00	7 00	1,511 00	0 00	0 00	9 00	2,270 00	255 00
Realisation of Assets	0 00	0 00	80 00	26,726 00	28 00	6,075 00	0 00	57 00	109 00	32,858 00	302 00
Creditors	0 00	0 00	7 00	2,520 00	8 00	1,865 00	2 00	320 00	18 00	4,705 00	264 00
Trading	0 00	0 00	4 00	1,403 00	5 00	1,100 00	0 00	0 00	9 00	2,503 00	271 00
Grand Total	3 00	1,596 00	129 00	43,173 00	110 00	24,137 00	16 00	2,603 00	258 00	71,509 00	277 00

Administration & Planning

Includes, case planning, statutory returns, maintenance of bank accounts and estate records, matters relating to tax, general correspondence, legal advice, meetings, employee matters

Investigations

Includes, Statutory duty of investigation into company's affairs under Statement of Insolvency Practice (SIP2)

Realisation of Assets

Includes, dealing with the sale of the business and the assets of the Company, dealing with Solicitors, collecting book debts

Creditors

Includes, correspondence with preferential and unsecured creditors, pensions and employees

Trading

Includes, time on site

Introduction

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

An Overview of the Case

Please refer to the main body of the report

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 at Appendix D. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

Category 1 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.

Narrative Description of Work Carried Out

Please refer to the main body of the report

Category 1 Disbursements

Category 1 Disbursements for the period from 8 March 2010 to 7 September 2010	£
Travel	157.84
Bordereau	36.00
Courier	46.75
Land Registry Searches	28.00
Total	268.59

Supporting Documentation

The following documentation is attached as required by SIP 9

- a schedule of charge-out rates which have applied during the reporting period at Appendix D

Castleway Ventures Limited - In Administration**Grant Thornton UK LLP Charge Out Rates**

	15 April 2009 to 30 June 2009	1 July 2009 to 30 June 2010	1 July 2010 to date
Partner	390 - 480	410 - 510	425 - 535
Director	400	420	440
Associate Director	365	385	405
Manager	315	330	340
Assistant Manager	260	275	285
Executive 2	195 - 235	205 - 250	210 - 260
Executive 1	215	230	240
Administrator 2	155 - 180	165 - 190	170 - 195
Administrator 1	125 - 130	135 - 140	140 - 145
Secretary	120	130	135
Filing Clerk	120	130	135
Treasury	140	150	150