

LIQ03

Notice of progress report in voluntary winding up



Companies House

THURSDAY



A13 *A7910M03* 28/06/2018 #57
COMPANIES HOUSE

1 Company details

Company number 0 4 8 5 0 1 1 4

Company name in full Belltower Estates Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Freddy

Surname Khalastchi

3 Liquidator's address

Building name/number Lynton House

Street 7-12 Tavistock Square

Post town

County/Region London

Postcode WC 1 H 9 L T

Country

4 Liquidator's name ●

Full forename(s) John Dean

Surname Cullen

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

5 Liquidator's address ●

Building name/number Lynton House

Street 7 - 12 Tavistock Square

Post town London

County/Region

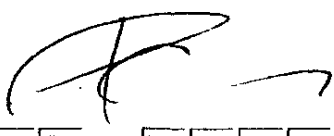
Postcode WC 1 H 9 L T

Country

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

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6	Period of progress report															
From date	^d 1	^d 0	^m 0	^m 5	^y 2	^y 0	^y 1	^y 7								
To date	^d 0	^d 9	^m 0	^m 5	^y 2	^y 0	^y 1	^y 8								
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>X  X</div>															
Signature date	^d 2	^d 6	^m 0	^m 6	^y 2	^y 0	^y 1	^y 7								

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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 **Gareth Cummings**Company name **Menzies LLP**Address **2 Sovereign Quay
Havannah Street**Post town **Cardiff**

County/Region

Postcode **C F 1 0 5 S F**

Country

DX

Telephone **029 2049 5444****Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

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

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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

Our ref: FXK/JDC/ARD/GDC/B3407
Your ref:

26 June 2018

TO ALL MEMBERS AND CREDITORS

Please ask for
Gareth Cummings
T: +44 (0)29 2067 4995
GCummings@menzies.co.uk

Dear Sirs

Belltower Estates Limited – (In Creditors' Voluntary Liquidation) ("the company")

This is the Joint Liquidators' fifth annual progress report ("the report") for the year ended 9 May 2018.

1. Statutory information

The company's registered name is Belltower Estates Limited and it traded as a property investment company.

The company was incorporated on 30 July 2003 under company number 04850114.

The registered office of the company was formerly 88 Crawford Street, London, W1H 2EJ and was changed on 13 May 2013 to Lynton House, 7-12 Tavistock Square, London, WC1H 9LT for the purposes of the Liquidation.

Barry David Lewis and myself, of Menzies LLP, Lynton House, 7-12 Tavistock Square, London, WC1H 9LT were appointed Joint Liquidators of the above-named company by Members and Creditors on 10 May 2013.

There have been no changes of Liquidator in the period to which this report relates but as previously advised, John Dean Cullen replaced Barry David Lewis as Joint Liquidator on 9 December 2016 pursuant to an order of the High Court of Justice.

2. Joint Liquidators' progress during the period of this report

Asset realisations and administrative matters

There have been no asset realisations during the period to which this report relates.

Please advise me as soon as possible if you are aware of any other assets of the company that have not been referred to above or previously.

As previously advised, the company's freehold property was placed in an auction by the LPA Receivers on 7 July 2016 and due to the level of debt owed to the lender, no surplus funds were received into the liquidation estate.

I have reviewed the claims received in the liquidation and also requested claims to be submitted by the final date of proving, being 8 May 2018. I also calculated the prescribed part and ring-fenced funds of £19,759.27 to be distributed to the unsecured creditors as a first and final dividend.

As no further asset realisations were anticipated, I prepared and submitted the company's annual and final corporation tax returns to HM Revenue and Customs. I have also liaised with the floating charge holder, Nationwide Building Society to ascertain the level of shortfall following the sale of the company's property. They have since lodged a claim in the liquidation for £1,567,232.27 which has been admitted to rank for dividend under their security as floating charge holder.

Subsequent to the period to which this report relates, I have adjudicated creditors claims and declared a first and final dividend under the prescribed part rules to unsecured creditors. Payment of the dividend is anticipated to be made very shortly.

Investigative matters

The company's books and records have been recovered, listed and analysed, but no assets other than those listed above have been identified.

In accordance with my statutory duties, a conduct report on the director has been submitted to the Insolvency Service pursuant to the Company Directors Disqualification Act 1986.

If you are aware of any matters which you believe require my investigation, please advise me accordingly, in writing, providing as much detail as possible with regard to those matters. Any such contact will, of course, be kept confidential.

General matters

Throughout the period of my administration I have responded to the queries of creditors and noted creditor claims.

Specific tasks such as the agreement of creditor claims, VAT and tax issues, cashiering, statutory returns and insurance, have been allocated to team members who have specialist knowledge in the relevant areas.

Additionally, I have complied with obligations imposed by statute and my regulatory body which include, but are not limited to, the submission of returns to Companies House, HM Revenue and Customs, insuring assets and specific penalty bonding.

3. Abstract of the Joint Liquidators' receipts and payments

I attach at Appendix 3 an abstract of my receipts and payments for the period of this report.

Please note that all items detailed on the receipts and payments account are shown net of VAT as the company was registered for VAT and the VAT can therefore be recovered for the benefit of the insolvent estate.

4. Assets which remain to be realised

There are no assets remaining to be realised. As advised, I have declared a first and final dividend to the unsecured creditors which will be paid shortly. I will then distribute the remaining funds, less time costs to closure and associated disbursements to the floating charge holder under their security and then commence my closing procedures.

5. Joint Liquidators' remuneration

At the first meeting of creditors held on 10 May 2013, the creditors authorised the payment of a fee of £7,500 plus VAT and disbursements for assistance with the statement of affairs and convening the meeting of creditors prior to our appointment. The fee was charged on a fixed fee basis and it was paid from first realisations and is shown in the enclosed receipts and payments account.

My remuneration was fixed by reference to the time properly spent by myself and my staff in attending to matters arising in the Liquidation at a meeting of creditors on 10 May 2013.

For creditor's information, the charge out value of time costs incurred during the period to which this report relates amounts to £9,704.12 made up of 46.50 hours at an average charge out rate of £208.69 per hour.

The greatest proportion of time spent in this matter has been in dealing with administration and planning matters which primarily included cashiering duties, carrying out periodic file reviews and strategy meetings, preparing annual progress reports, preparing and submitting the annual and final corporation tax returns and dealing with general correspondence.

The time spent on creditor related matters has been reviewing creditor claims and supporting documentation received to date and commencing the dividend procedure by issuing the final date for proving, calculating the funds to be ring-fenced under the prescribed part rules for payment to the unsecured creditors. Time has also been spent contacting the floating charge holder and their representative to ascertain the shortfall of funds owed to them and request to submit a claim in the liquidation.

No time has been spent on investigative matters during the period to which this report relates.

No time has been spent on asset related matters during the period to which this report relates.

I attach at Appendix 1 a breakdown of the time costs between the grades of staff allocated to the case, which includes details of the current charge out rates of myself and my team who have been and will be dealing with the Liquidation.

I have drawn remuneration of £7,800 plus VAT during the period to which this report relates.

For creditor's information, the charge out value of time costs incurred during the whole of the liquidation period to date amounts to £61,943.19 made up of 249.41 hours at an average charge out rate of £248.36 per hour.

You will note from the attached breakdown of time costs that I have recovered £59,700 in respect of my time costs to date.

A copy of "A Creditors' Guide to Liquidator's Fees", issued by the Association of Business Recovery Professionals, which sets out the basis of fixing the Liquidator's Remuneration, is available on our website at:

<https://www.menzies.co.uk/helping-you/business-recovery/fees-guide/>

You should then choose the appropriate creditor guide for the type of appointment made November 2011 to September 2015.

Please let me know if you do not have access to the internet and would prefer a hard-copy of this guide.

6. Joint Liquidators' expenses

The payments made from the estate during the period of this progress report are largely self-explanatory.

The following agents or professional advisors have been utilised in this matter:

Professional Advisor	Nature of Work	Fee Arrangement
AUA Insolvency Risk Services Ltd	Specific Penalty Bond	Fixed Fee
Marsh Ltd	Specific Penalty Bond	Fixed Fee
Courts Advertising Limited	Statutory Advertising	Fixed Fee
Fladgate LLP	Solicitors	Time Costs

The choice of professionals was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them. The fees charged have been reviewed and we are satisfied that they are reasonable in the circumstances of this case.

Below is a table which details what disbursements have been incurred, paid and which remain outstanding during the period to which this report relates:

Nature of Expense	Incurred (£)	Paid (£)	Remains Outstanding (£)	Total paid by the Liquidation (£)
Storage costs	18.72	18.72	Nil	18.72

There will be further storage costs to pay prior to closure of the case when a final bill will be calculated. The final invoice will be paid from the funds held in the liquidation.

A statement with regard to my disbursements recovery policy is attached at Appendix 2.

7. Return to creditors pursuant to Section 176A

The provisions of Section 176A of the Act require a calculation to be made of the prescribed part of the company's net property for distribution to unsecured creditors. The prescribed part must be calculated and provided for where debentures of the company have been created after 15 September 2003.

In dealing with realisations under the prescribed part, we are entitled to take into account the claims of the preferential creditors and the costs and expenses associated in dealing with the prescribed part.

The company's net property comprises floating charge realisations less preferential claims and the costs of dealing with the prescribed part.

The prescribed part is calculated as 50% of the first £10,000 of floating charge realisations plus 20% of all other floating charge realisations, subject to a maximum prescribed part of £600,000.

There have been floating charge realisations totalling £130,664.49 to date, from which the costs of dealing with the prescribed part, which presently total some £46,868.15, have been deducted. A total of £19,759.27 has been retained for distribution to the unsecured creditors.

You will appreciate that these figures are necessarily approximate and may vary considerably during the course of the Liquidation and still subject to further Liquidators' fees, costs and disbursements of dealing with the prescribed part.

8. Outcome for creditors

I have received and admitted claims in respect of Corporation Tax and VAT totalling £271,497.53 to rank for dividend.

Trade and Expense creditor claims agreed to date total £15,263.35 against total creditors' claims shown on the company's statement of affairs of £15,263.35.

I have also received and agreed a claim in the sum of £57,700 in respect of the intercompany loan with Grovemoor Estates Limited.

As indicated above, a total of £19,759.27 has been retained for distribution to the unsecured creditors.

Subsequent to the period to which this report relates, I have declared a dividend to the unsecured creditors under the prescribed part rules in the sum of £19,759.27.

I have also received a claim in the liquidation from Nationwide Building Society ("Nationwide") in the sum of £1,567,232.27. The claim is in respect of their shortfall following the sale of the company's freehold property by LPA receivers. A distribution will be declared and paid to Nationwide as the floating charge holder shortly.

9. Creditors' right to information

A creditor may make a request for further information regarding my remuneration and expenses. Any such request must be in writing and should be made within 21 days of receipt of this report. Where the request is made by an unsecured creditor, it must be supported by at least 5% in value of the unsecured creditors, or with the permission of the Court.

If the information requested is either prejudicial to my conduct of this case, might lead to violence against any person, may be confidential or the costs of preparing the requested information would be excessive, I may not be obliged to provide it.

Any unsecured creditor may make an application to the Court in respect of any information provided following such a request, or my failure to provide same, after 14 days of our receipt of that request.

Additionally, creditors may make an application to Court to challenge the amount or basis of my remuneration and expenses, which must be supported by at least 10% in value of the creditors, including the applicant's claim. The application must be made within 8 weeks of receipt of this report. The costs of the application must also be paid by the creditors making the application.

Further details with regard to these provisions form part of the guidance notes relating to fees referred to previously.

10. Next report

I am required to provide a further progress report within two months of the end of the next anniversary of the Liquidation.

As advised, once I have paid the first and final unsecured creditor dividend and declared and paid a distribution to the floating charge holder, the liquidation will be finalised and our files will be closed.

Should you have any further queries in relation to the contents of this report, or with regard to other matters arising, please do not hesitate to contact my colleague Gareth Cummings using the contact details provided.

Yours faithfully
For and on behalf of
Belltower Estates Limited



Freddy Khalastchi
Joint Liquidator

Belltower Estates Limited - (In Creditors' Voluntary Liquidation)

Appendix 1

Time charge out summary for the period from 10 May 2017 to 9 May 2018

HOURS

Classification of work function	Partner/ Director	Manager	Senior	Administrator	Support	Total Hours	Time Costs	Average Hourly Rate
							£	£
Admin and Planning	4.50	1.10	9.30	13.50	0.50	28.90	6,130.62	212.13
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.40	1.00	16.20	0.00	0.00	17.60	3,573.50	203.04
Support	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	4.90	2.10	25.50	13.50	0.50	46.50		
Total Costs	2,237.50	501.00	4,935.00	1,992.00	38.62		9,704.12	

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS

	From 10 May 2018	1 Oct 2017 - 9 May 2018	1 Oct 2016 - 30 Sept 2017
	£ per hour	£ per hour	£ per hour
Partner/Director	365-505	365-505	315-505
Manager	225-295	225-295	225-345
Senior	210	195	185-230
Administrator	75-195	75-195	85-180
Support Staff	80-95	80-95	55.60-105

Note 1 There may have been a number of promotions through the various grades during the period of the administration.

Note 2 Overhead costs are reflected in the charge out rates detailed.

Note 3 The charge-out rate of the Insolvency Practitioners for this assignment is currently £505 and £435 per hour, and the administrator is £210 per hour.

Note 4 Time is recorded in minimum units of 6 minutes.

Appendix 2

Disbursements Recovery Policy

Professional advisors have been selected on the basis that they have the appropriate experience and qualifications to effectively deal with the issues arising in a case of this nature

All disbursements are shown as net of VAT. As the company was registered for VAT purposes VAT can be recovered for the benefit of the insolvent estate.

Category 1 Disbursements

Specific expenditure relating to the administration of the insolvent estate and payable to an independent third party is recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typical items include legal fees, agents' fees, statutory advertising, insurance of assets, search fees, specific penalty bonding, telephone calls, postage, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case.

All such disbursements such as statutory advertising, storage costs, search fees and specific penalty bonding have been paid from the estate and is shown on the receipts and payments account.

Category 2 Disbursements

Expenditure incidental to the administration of the insolvent estate, which by its nature includes an element of shared or allocated cost is recoverable with creditor approval.

Payments in respect of the above are defined as 'Category 2 Disbursements'. They are as follows:

Storage at £40 per box per annum or part thereof plus VAT

Destruction at £3.50 per box plus VAT,

being the current rates applicable.

Appendix 3
Belltower Estates Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 10/05/2018 To 09/05/2018	From 10/05/2013 To 09/05/2018
	PROPERTY & LAND		
Uncertain	Freehold Property	NIL	NIL
(4,256,990.09)	Nationwide Building Society	NIL	NIL
(430,343.51)	Investec Bank (UK) Limited	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
19,001.42	Cash Held on Appointment	NIL	19,001.42
Uncertain	Rent	NIL	111,663.07
Uncertain	City of York Council (Comp/Dilaps)	NIL	NIL
		NIL	130,664.49
	COST OF REALISATIONS		
	Petitioner's Costs	NIL	830.00
	Specific Bond	NIL	432.50
	Preparation of S. of A.	NIL	7,500.00
	Prior Administrators' Fees	NIL	NIL
	Liquidators Fees	NIL	59,700.00
	Legal Fees	NIL	2,112.70
	Storage Costs	NIL	18.72
	Statutory Advertising	NIL	222.75
	Search Fees	NIL	12.00
		NIL	(70,828.67)
	UNSECURED CREDITORS		
(15,263.35)	Trade & Expense Creditors	NIL	NIL
(57,700.00)	Intercompany Loan (Grovenoor Est Lt	NIL	NIL
(202,866.37)	HM Revenue and Customs - CT	NIL	NIL
(21,293.44)	HM Revenue and Customs - VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(4,966,455.34)		NIL	59,835.82
	REPRESENTED BY		
	Coutts NIB		59,294.57
	Vat Control Account		541.25
			59,835.82