



**New Manor Developments Limited (In Liquidation)
Liquidator's Annual Report to Members and Creditors
For the year ending 6 June 2013**

1. STATUTORY INFORMATION

Company name	New Manor Developments Limited
Former Company name(s)	None
Registered office	Suite 306, Fort Dunlop, Fort Parkway, Birmingham, B24 9FD
Former registered office	121 Livery Street, Birmingham B24 9FD
Registered number	05195240
CRO Number	4941 / 7389
Liquidator's name	MFP Smith
Liquidator's address	Suite 306 Fort Dunlop Fort Parkway Birmingham, B24 9FD
Liquidator's date of appointment	7 June 2012

2. RECEIPTS & PAYMENTS ACCOUNT

My receipts & payments account for the period from 7 June 2012 to 6 June 2013 is attached at Appendix A All figures are shown net of VAT

3. ASSETS

3.1 Freehold Property

3.1.1 Unit 4 The Boxworks, Carver Street

Steven Kay and Matthew Settle of Sterling Properties have been appointed LPA Receivers over this property by Lancashire Mortgage Corporation The property is under offer at £135,000, however, completion has been delayed by some missing leasehold documents I am currently awaiting the settlement figure from Lancashire Mortgage Corporation and until this is received, I am unable to comment on any likely surplus which may be made available to the Liquidation The Liquidator's interest has been noted

Continued

THURSDAY



Q2CUDBLU
QIQ 18/07/2013 #17
COMPANIES HOUSE



3.2 Leasehold Property

3.2.1 Units 37, 91 and 92 Kenyon Forge

James Campbell of Southern Group Limited was appointed LPA Receiver over these three properties. I have recently been advised that the properties were placed into auction approximately four months ago, they all sold above their reserve price but this was not sufficient to extinguish the secured lending in full. Therefore, there was no surplus available for the Liquidation. I am waiting for copies of the completion statements to show the amounts which have been remitted to the secured creditor.

3.2.2 Unit 10 Kenyon Forge

The leasehold of Unit 10 Kenyon Forge has been sold for £10,000 plus VAT. The matter has now completed and the VAT has been accounted to HM Revenue & Customs.

3.2.3 Unit 64 Kenyon Forge

Harrison Clark Rickerbys Solicitors were instructed to advise me on whether there was any realisable value in this property for the benefit of the liquidation, as the charge registered against the property creates security for the payment and discharge of secured obligations and conditions, namely £35,000 plus costs and interest of in excess of £65,000 to the charge holder. In light of this, the property appeared to be in negative equity and of no value to the Liquidator, therefore a Deed of Surrender has been completed.

3.2.4 33 Tenby Street

According to the company records it appears that this property was used as a deposit to purchase land, at Severn Street in Birmingham, worth approximately £2 million. The director has stated that this property was given to Shirlett and Tudor, his partners in the purchase, on a non-refundable basis. The company had obtained finance with Bridge Point Ventures, amounting to £2.5 million in order to complete the purchase of the land. However, the finance fell through which has resulted in the non-refundable deposits being retained by Shirlett and Tudor. HM Land Registry shows that the lease was transferred on 7 July 2011 for £75,000. Further investigations are ongoing in regards to the transfer of this asset and the non-refundable deposit.

3.3 Assignment of claim

As previously stated in my report dated 7 August 2012, there was an ongoing dispute between the company, the former director and two other parties in relation to Unit 10 and Unit 64 Kenyon Forge. Solicitors were instructed to advise me on how best to proceed. The company's claims in relation to the dispute were assigned to Zyox Limited for the sum of £5,000, which ends the company's involvement in the matter.

Continued



3.4 Stock, Plant & Machinery

My previous report advised that the ownership and location of stock, plant & machinery worth approximately £65,000 was unknown. I have recently received the company books and records and a full review will be carried out to ascertain whether or not the company can claim ownership of any assets. A third party has expressed an interest in certain items of plant & machinery and once ownership has been established, an independent valuation will be obtained to ensure that the best price is achieved.

3.5 Rent

My previous report stated that the director had personally received rent of £2,700, which should have been paid to the company. This is still being pursued by my solicitors Harrison Clark Rickerbys.

3.6 Sundry refunds

£66 was received from Severn Trent Water in respect of an overpayment on Unit 4 The Boxworks.

3.7 Bank Interest

All funds were banked in the Insolvency Services Account at the Bank of England and bank interest of £3 was received during the year.

4. LIABILITIES

4.1 Secured Creditors/ Fixed Charge

An examination of the company's mortgage register held by the Registrar of Companies, showed that the company granted the following charges which remain outstanding,

Mortgage Description: Legal Charge

Persons Entitled: Kenyon Forge Limited

Created: 19/10/2010

Registered: 22/10/2010

Amount Secured: All monies due or to become due from the company to the chargee under the terms of the aforementioned instrument creating or evidencing the charge.

Short Particulars: Unit 64 on the development on the land on the east side of Kenyon Street.

Mortgage Description: Legal Charge

Persons Entitled: Saranjit Singh Bahia practicing as Consilium Legal Solicitors

Created: 11/01/2011

Registered: 19/01/2011

Continued



Amount Secured: All monies due or to become due from the company to the chargee

Short Particulars: Ground floor office premises 33 Tenby Street Birmingham and two parking spaces

Mortgage Description: Debenture

Persons Entitled: Lancashire Mortgage Corporation Limited

Created: 28/02/2011

Registered: 15/03/2011

Amount Secured: All monies due or to become due from the company to the chargee on any account whatsoever

Short Particulars: The Boxworks Carver Street Birmingham T/No WM846280
Fixed Charge any F/H and L/H Property

Mortgage Description: Legal Charge

Persons Entitled: Lancashire Mortgage Corporation Limited

Created: 28/02/2011

Registered: 15/03/2011

Amount Secured: All monies due or to become due from the company to the chargee on any account whatsoever

Short Particulars: The Boxworks Carver Street Birmingham West Midlands T/No WM846280 Fixed Charge all goodwill and all uncalled capital, all plant and machinery proceeds of insurance and intellectual property

Mortgage Description: Legal Charge

Persons Entitled: Property Finance Nominees (No 4) Limited

Created: 10/03/2011

Registered: 19/03/2011

Amount Secured: All monies due or to become due from the company to the chargee on any account whatsoever

Short Particulars: Apartment 37 Kenyon Forge Kenyon Street Hockley
Birmingham

Name of actual admin/receiver manager: Campbell James

Date Appointed: 16/12/2011

Mortgage Description: Legal Charge

Persons Entitled: Property Finance Nominees (No 4) Limited

Created: 10/03/2011

Registered: 15/03/2011

Amount Secured: All monies due or to become due from the borrower to the chargee under the terms of the aforementioned instrument creating or evidencing the charge

Short Particulars: Apartment 91 Kenyon Forge Kenyon Street Birmingham

Name of actual admin/receiver manager: Campbell James

Date Appointed: 16/12/2011

Mortgage Description: Legal Charge

Persons Entitled: Property Finance Nominees (No 4) Limited

Created: 10/03/2011

Continued



Registered 15/03/2011

Amount Secured: All monies due or to become due from the company to the chargee

Short Particulars: Apartment 92 Kenyon Forge Kenyon Street Birmingham

Name of actual admin/receiver manager: Campbell James

Date Appointed: 16/12/2011

4.2 Preferential Creditors

There are no preferential creditors

4.3 Secured Creditors / Floating Charge

There are provisions of the insolvency legislation that require a Liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company granted a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. A Liquidator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

The company has not granted any floating charges, therefore the Prescribed Part provisions do not apply in this case.

4.4 Crown Creditors

The Official Receiver's observations included £5,093 owed to HM Revenue & Customs. A claim totalling £82,609 has been received in respect of VAT, surcharges and interest and a claim totalling £5,700 in respect of PAYE and CIS penalties.

4.5 Unsecured Creditors

The Official Receiver's observations showed unsecured creditors of £665,846. The aggregate number of creditors was not known. Claims totalling £916,074 have been received from 70 unsecured creditors, not including the claims received from HM Revenue & Customs listed above.

5. LIQUIDATOR'S ACTIONS SINCE LAST REPORT

5.1 The following action has been taken since my report dated 7 August 2012

- The specific penalty bond was reviewed to ensure that the level of cover was adequate to protect the realisations made in the liquidation. No increase was required.

Continued



- VAT has been reclaimed on expenses of the liquidation by submitting form VAT 426, following deregistration of the company VAT registration VAT on the sale of leasehold property has been paid to HM Revenue & Customs
- The corporation tax return and computation for the period to 15 March 2012 to 14 March 2013 is being drafted for submission to HM Revenue & Customs
- All other general case administration matters including six month reviews, updating checklists, cashier matters and statutory reporting have been completed
- A review of the ethical and money laundering checklists were conducted on a regular basis
- The bank account held at Bank of Scotland has been regularly reconciled, with bank interest being received accordingly
- Communication has been made with the LPA Receivers appointed over four of the properties, to establish the current position and whether a surplus is likely to be available for the liquidation
- A Deed of Surrender has been drafted and completed in respect of Unit 64 Kenyon Forge
- A sale of Unit 10 Kenyon Forge has been completed, with an Option to Tax being submitted to HM Revenue & Customs and the VAT on the sale being accounted for accordingly
- Correspondence was entered into with the director's solicitors with various enquiries as to the location and ownership of the assets, and other investigation matters
- The company books and records were collected and have been catalogued for review and archiving

6. INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

- 6.1 My previous report detailed that I would undertake investigations into the company's affairs to establish the ownership of the above mentioned properties, the whereabouts of the stock and whether there are any other asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved I have recently been put in possession of the company records and my review is ongoing

Continued



7. LIQUIDATOR'S REMUNERATION

7.1 My remuneration was authorised by creditors at a meeting held on 11 September 2012 to be drawn on a time cost basis plus disbursements and VAT. My total time costs to 6 June 2013 amount to £40,471, which have been charged at an average charge out rate of £231.59. I have drawn £6,585 in the period. A schedule of my time costs incurred to date is attached as Appendix B.

7.2 A description of the work undertaken in the liquidation to date is as follows:

1 Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors

2 Cashiering

- Maintaining and managing the liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

3 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information
- Reviewing and adjudicating on proofs of debt received from creditors

4 Investigations

- Review and storage of books and records
- Conduct investigations into suspicious transactions
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors

5 Realisation of Assets

- Corresponding with LPA Receivers
- Negotiating the sale of leasehold property
- Correspondence regarding the location and ownership of plant, machinery and stock

Continued



- Liaising with solicitors and third parties regarding the assignment of the company's interest in a claim arising out of a dispute on Unit 64 Kenyon Forge
- Collecting in sundry refunds
- Chasing rents due, including rent received personally by the former director

7.3 A copy of 'A Creditors' Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals and 'A Statement of Insolvency Practice 9 (Revised)' are available from my office upon request. Alternatively a copy can be downloaded from

<http://www.icaew.com/en/technical/insolvency/creditors-guides>

and

<http://www.icaew.com/en/technical/insolvency/insolvency-regulations-and-standards/statements-of-insolvency-practice-sips-england>

Please note that there are different versions for cases that commenced before 6 April 2010, from 6 April 2010 (but before 1 November 2011) and from 1 November 2011. In this case you should refer to the post 1 November 2011 version. A hard copy of the documents can be obtained on request from this office.

7.4 Additional information in relation to Joint Liquidator's fees in accordance with SIP 9 is also attached at Appendix B. This provides details of the firm's policy in relation to staffing, the use of sub-contractors and disbursements. Please note, in common with all professional firms, the charge out rates may increase from time to time over the period of the administration of each insolvency case.

8. LIQUIDATOR'S EXPENSES

Below I have provided information in relation to expenses incurred in the period, together with details of whether I have discharged my liability in respect of these costs.

8.1 Discharged Expenses

8.1.1 Official Receiver's Disbursements

The Official Receiver's disbursements of £2,235 have been discharged from the funds in the liquidation, net of the petitioner's deposit of £1,165.

8.1.2 Secretary of State fees

All funds deposited into the Insolvency Services Account are subject to the Secretary of State fee on a percentage scale. £4,875 has been deducted in this case.

Continued



8.1.3 Professional Advisors' fees

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

Professional Advisor	Nature of Work	Fee Arrangement	Fee paid £
Harrison Clark Rickerbys	Solicitors	Time costs	3,209

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

8.1.4 Tax deducted at source

Tax of £1 was deducted at source from bank interest paid.

8.1.5 Insurance of Assets

Insurance of assets has been paid totalling £3,667.

8.1.6 Bank charges

Quarterly fees are applied to the Insolvency Services Account and £66 has been paid in the year.

8.2 Un-discharged Expenses

Due to insufficient funds held in the case, the following expenses have either been paid by Dains LLP and have not yet been recovered as disbursements in this case, or remain outstanding.

8.2.1 Specific Bond

The specific bond costs of £96 were paid by Dains LLP.

8.2.2 Redirection of Mail

A redirection of mail was placed on several known trading addresses of the company, costing £120, which was paid by Dains LLP.

8.2.3 Legal fees

Legal fees of £450 have been paid by Dains LLP. In addition, my solicitors have unbilled Work in Progress of £28,473.

Continued



8.2.4 Statutory Advertising

My appointment was advertised in the London Gazette and the sum of £77 was paid by Dains LLP

8.2.5 Storage of records

Storage fees amount to £23 and have been paid by Dains LLP

8.2.6 Insurance of assets

Additional insurance costs of £231 were paid by Dains LLP

8.2.7 Petition costs

The petitioner's costs of £3,120 have been paid by Dains LLP and will be recharged to the case when funds allow

9. FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

10. DIVIDEND PROSPECTS

10.1 Secured Creditors/ Fixed Charge

Fixed charge creditors have relied upon and enforced their security, therefore as Liquidator I will not be dealing with any fixed charge assets

10.2 Preferential Creditors

There are no preferential creditors

10.3 Secured Creditors/ Floating Charge

There are no floating charge creditors

Continued



10.4 Unsecured Creditors

Based upon the information previously given in this report, it appears unlikely that a dividend will be paid to unsecured creditors. This may be subject to change dependant upon the outcome of my investigations into the ownership and location of further assets.

11. SUMMARY

- 11.1 The liquidation will remain open until all assets have been realised, and a full investigation has been conducted, including a detailed review of all books and records.
- 11.2 Should you have any queries regarding this matter please contact Sarah Sirianni on 0845 555 8844.

A handwritten signature in black ink, appearing to read "MFP Smith".

MFP Smith
Liquidator

ssirianni@dains.com



New Manor Developments Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments
To 06/06/2013

S of A £		£	£
	SECURED ASSETS		
134,621 57	Freehold Land & Property	NIL	
5,336,636 00	Leasehold Land & Property	NIL	
			NIL
	ASSET REALISATIONS		
	Leasehold Property- Unit 10 Kenyon Forge	15,000 00	
65,000 00	Stock/WIP	NIL	
2,700 00	Rent	NIL	
	Bank Interest Gross	2 50	
	Sundry Refunds	65 69	
	Assignment of claim	5,000 00	
			20,068 19
	COST OF REALISATIONS		
	O R Disbursements	2,235 00	
	DTI Cheque Fees	0 15	
	Sec of State Fees	4,874 68	
	Petitioners Deposit	(1,165 00)	
	Office Holders Fees	6,585 00	
	Legal Fees	3,209 28	
	Tax Deducted at Source	0 50	
	Insurance of Assets	3,667 38	
	Bank Charges	66 00	
			(19,472 99)
	UNSECURED CREDITORS		
(554,166 39)	Trade & Expense Creditors	NIL	
(106,584 00)	Banks/Institutions	NIL	
(5,093 38)	HM Revenue & Customs	NIL	
			NIL
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	
			NIL
4,873,013 80			595.20
	REPRESENTED BY		
	Vat Receivable		3,613 86
	ISA IB		(18 66)
	Vat Payable		(3,000 00)
			595.20

MFP Smith

MFP Smith
Liquidator



Appendix B

New Manor Developments Limited in Liquidation
Report to Creditors
16 July 2013

A Schedule of the Liquidator's timecosts from 7 June 2012 to 6 June 2013

Classification of Work function	Hours										Time Cost £	Average Hourly Rate £
	Partner	Director	Senior Manager	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier & Secretaries	Total Hours				
Administration & Planning	2 53	6 33	1 30	0 00	59 03	15 65	6 43	91 27	19,406 97	212 63		
Investigations	1 80	5 50	0 80	0 00	10 50	0 00	0 00	18 60	4,914 50	264 22		
Realisation of Assets	5 15	9 67	0 00	0 00	27 13	0 17	1 08	43 20	11,076 84	256 41		
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00		
Creditors	4 85	0 33	0 10	0 00	12 48	2 42	1 50	21 68	5,072 76	233 98		
Total Hours	14 33	21 83	2 20	0 00	109 14	18 24	9 01	174 75				
Total Fees Claimed £	5,462 66	7,418 98	684 00		22,112 08	3,309 34	1,484 01		40,471 07			
Average Rate £	381 20	339 85	310 91	0 00	202 60	181 43	164 71			231 59		



PRACTICE FEE RECOVERY POLICY FOR DAINS LLP

Introduction

The insolvency legislation was changed in April 2010 for insolvency appointments commenced from that time in order to allow more flexibility on how an office holder's fees are charged to a case. This sheet explains how we may apply the alternative fee bases. The new legislation allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the court. Further detail about how an office holder's fees are approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.icaew.com/en/technical/insolvency/insolvency-regulations-and-standards/statements-of-insolvency-practice-sips-england>. Alternatively a hard copy may be requested from Dains LLP, Third Floor, Fort Dunlop, Fort Parkway, Birmingham B24 9FD.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the new legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under the old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

This is the basis that we use in the majority of cases and we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Chargeout Rates

Grade of staff	Previous charge-out rate per hour, effective from 1 April 2012 £	Current charge-out rate per hour, effective from 1 April 2013 £
Partner – appointment taker	380	390
Director	340	350
Senior Manager	310	320
Manager	235	240
Supervisor	200	205
Case Administrator	185	190
Cashier & Support Staff	75 - 165	77 - 190

Continued



Subcontractors are used where necessary

These charge-out rates charged are reviewed on 1 April each year and are adjusted to take account of inflation and the firm's overheads

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Each unit of time is 6 minutes. The work is recorded under the following categories:

- Administration and Planning – which includes work such as planning how the case will be administered and progressed, the administrative set up of the case, notifying creditors and others of the appointment, keeping the records relating to the case up to date, and reporting on progress of the case to creditors and others
- Investigations – which includes work such as undertaking an initial review of the financial affairs of the company and bankrupt, undertaking a detailed investigation with a view to making recoveries for the benefit of creditors where matters such as preferences or wrongful trading come to light as a result of the initial review, and reporting to the Insolvency Service on the conduct of the directors
- Realisation of Assets – which includes work such as identifying, securing and insuring assets, dealing with retention of title claims, collecting debts owed, and selling assets
- Employee matters – which includes work such as dealing with employees, and liaising with the redundancy payments office
- Creditors - which includes work such as communicating with creditors, dealing with creditors' claims, and where funds realised allow, paying dividends to creditors
- Trading – which includes work such as managing and controlling all aspects of the business, and preparing financial records and information relating to that trading

Percentage basis

The new legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. Where we would like to realise any asset or type of assets on a percentage basis we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Fixed fee

The new legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. Where we would like to charge a set amount for a task or different set amounts for different tasks we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Continued



All bases

The officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Dains LLP, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following category 2 disbursements are recovered

Mileage is charged at a rate of up to 45p per mile
External disbursements are recovered at cost