

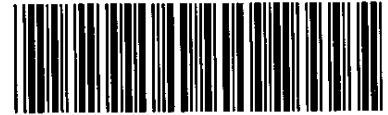
WU07

Notice of progress report in a winding-up
by the court



Companies House

TUESDAY



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A09

17/09/2019

#113

COMPANIES HOUSE

A8DH316J

A16

07/09/2019

#296

COMPANIES HOUSE

1 Company details

Company number 0 5 3 5 3 1 7 8

Company name in full GWS Property Limited

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

2 Liquidator's name

Full forename(s) John

Surname Hedger

3 Liquidator's address

Building name/number SPEEDWELL MILL

Street OLD COACH ROAD

TANSLEY

Post town MATLOCK

County/Region DERBYSHIRE

Postcode DE 4 5 F Y

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region


Postcode

Country

② Other liquidator
Use this section to tell us about
another liquidator.

WU07

Notice of progress report in a winding-up by the court

6	Period of progress report																
From date	d	2	d	5	m	0	m	8	y	2	y	0	y	1	y	8	
To date	d	2	d	4	m	0	m	8	y	2	y	0	y	1	y	9	
7	Progress report																
<input checked="" type="checkbox"/> The progress report is attached																	
8	Sign and date																
Liquidator's signature	Signature X  X																
Signature date	d	0	d	4	m	0	m	9	y	2	y	0	y	1	y	9	

WU07

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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 **Ben Leaney**

Company name **Seneca IP Limited**

Address
Speedwell Mill
Old Coach Road

Post town **Tansley**

County/Region **Matlock**

Postcode **D E 4 5 F Y**

Country

DX

Telephone **01629 761700**

**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**

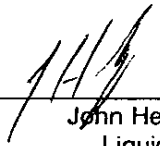
For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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

**GWS Property Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments**

Statement of Affairs £	From 25/08/2018 To 24/08/2019 £	From 25/08/2016 To 24/08/2019 £
ASSET REALISATIONS		
Deposit Refund	NIL	1,350.00
	NIL	1,350.00
COST OF REALISATIONS		
Bank Charges	88.00	264.00
Sec of State Fees	NIL	2,520.00
	(88.00)	(2,784.00)
	(88.00)	(1,434.00)
REPRESENTED BY		
ISA NIB - interest bearing		(1,434.00)
		(1,434.00)

Note:


John Hedger
Liquidator

**GWS Property Limited – In Compulsory Liquidation
In the Leeds District Registry Number 1101 of 2015**

LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS

For the year ending 24 August 2019

STATUTORY INFORMATION

Company name:	GWS Property Limited
Company number:	05353178
Trading address:	145-157 St John Street, London, EC1V 4PY
Registered office:	Speedwell Mill, Old Coach Road, Tansley, Derbyshire, DE4 5FY
Former registered office:	145-157 St John Street, London, EC1V 4PY
Principal trading activity:	Management of real estate on a fee or contract
Liquidator's name	John Hedger
Liquidator's address	Speedwell Mill, Old Coach Road, Tansley, Matlock, DE4 5FY
Date of appointment	25 August, 2016
Court name and reference	Leeds District Registry 1101 of 2015

LIQUIDATOR'S ACTIONS SINCE LAST REPORT

For reasons set out in previous reports, I have been unable to make any progress in this case, specifically in respect of the outstanding Loan Accounts. No further information has been forthcoming since my last report and I have been unable to gain access to the BDO working files.

The matter of obtaining BDO's working files remains outstanding as they have previously refused my request under section 236 of the Insolvency Act 1986 to provide them based on the fact the report was not commissioned by the Company and neither of the commissioning parties gave consent to release them. As a result, I need to apply to Court for an order compelling BDO to release the files.

Funds are required to do this so I met with HM Revenue & Customs to discuss the lack of progress resulting from the lack of records and I was asked to put a request for funding in writing. This was done and further chasing correspondence was sent to obtain a decision from them. Ultimately, on 24 July 2019, I received confirmation to say that they were not in a position to provide the funding required and that they had closed their file on this matter. Without this funding, I am not able to take this matter forward.

As reported in my last progress report, Mr Karus attempted to lodge a claim with the Company on behalf of Citypoint Limited ('Citypoint'), following which he attempted to call a meeting of creditors in order to nominate his own choice of Liquidator. His request was rejected on various occasions for a number of reasons, but largely because Citypoint's claim appeared to be with Mako Property Limited, not GWS Property Limited. Furthermore, Mr Karus' grounds for calling a meeting, and the Insolvency Rules on which he relied, appeared to be incorrect.

In the current reporting period, since 25 August 2018, the requests for a meeting continued but I have not been sufficiently satisfied that Citypoint had a legitimate claim. Furthermore, I remain of the view that the appropriate authority in this matter is section 172 of the Insolvency Act 1986 whereby it was not in the creditors' interest to call a meeting

In May 2019, I received a letter from Middlebrooks Business Recovery & Advice ('Middlebrooks') who attempted to submit a claim for £2.69M. This claim related to monies owed to Citypoint Limited by Mako Property Limited. I wasn't able to reconcile how this proved GWS owed the debt to Citypoint, despite Mr Karus providing an affidavit asserting such. I confirmed that I had previously rejected Mr Karus' claim and requests, and requested that they provide further details of their claim and a summary of how the claim arose.

Since this correspondence, further contact has been made by Middlebrooks to suggest Mr Karus was hoping to pursue a claim against the former Directors (Mr & Mrs McElvogue) through the Company's Liquidation on behalf of its creditors. Having considered this, I am still unable to see how the Company could pursue any such claim given the lack of relevant records. I have written to Mr Karus (outside of the reporting period) to express my thoughts on this and suggested that he may wish to purchase the Company's rights to any action against the former Directors, subject to certain conditions. I currently await his response.

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is contained in Appendix 1.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 25 August 2016 to 24 August 2019 is attached at Appendix 2.

ASSET REALISATIONS

Directors' Loan Account

At the time of my appointment, as previously referred to above, there were two loan accounts outstanding to the Company, one held by Mr Karus and the other by Mrs McElvogue. Each party disputes their own liability and asserts that the other's remains outstanding. I still believe that the missing appendix and working papers held by BDO would assist in calculating what remained owing to the Company and could possibly confirm the same in clear terms. Both parties have been unwilling to provide their consent for BDO to release the papers. A request has been made to BDO under section 236 of the Insolvency Act 1986, but since the report was not commissioned by the Company, they have requested the comfort of an Order from the Court prior to releasing the information. Due to the lack of funds, a request was made to HM Revenue & Customs for funding to allow an application to be made. HMRC have since declined to provide any funding and confirmed they have closed their file on the matter.

Without access to the BDO files, it will not be possible to take this matter forward.

In August 2019, I was contacted by Middlebrooks Business Recovery & Advice on behalf of Mr Karus who suggested Mr Karus was looking to pursue a claim against the former Directors through the Company. I do not believe this will be feasible given the lack of Company records available and have confirmed the same to Mr Karus. However, there is an opportunity for Mr Karus to purchase the rights to any claim the Company might have. This has also been communicated to Mr Karus and I await his response.

Inter Company Loan (Mako Property Ltd)

It appeared from the information provided that the Company had loaned money to Mako Property Ltd. As previously noted, this company entered Administration in January 2014 and subsequently Liquidation in October 2015. A claim for £158,528.00 was entered in to the Liquidation by the Company's previous Liquidator. For completeness I also provided a claim for the same amount. The liquidation of Mako in itself appears to be complex and the Liquidator felt he must apply to the Court for direction in respect of various competing and complex creditor claims. As a result, the Company's claim could not be supported and no dividend has been forthcoming in this respect.

LIABILITIES

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential Creditors

The statement of affairs anticipated there were to be no preferential creditors. No claims have been received.

Crown Creditors

Though there was no initial break down of the creditors in the Statement of Affairs as to what was owed to HMRC, a claim has since been provided to the sum of £977,838.

Non-preferential unsecured Creditors

The statement of affairs included 8 non-preferential unsecured creditors with an estimated total liability of £2,331,294. I have received claims from 7 creditors at a total of £4,241,092.65. I have not received claims from 4 creditors with original estimated claims in the statement of affairs of £5,933,542.25.

As detailed previously, a disputed claim was made by Citypoint Limited. This claim was not sufficiently proven, as I believe the claim lies with Mako, not GWS, and therefore it is not included in the figures above.

DIVIDEND PROSPECTS

Secured creditors – There are no secured creditors in the case.

Preferential creditors – There are no preferential creditors in the case.

Floating charge creditors – There are no floating charge creditors in the case.

Non-preferential unsecured creditors – Given the difficulties in clarifying the monies reportedly owed to the Company from outstanding Loans, it has not been possible to pay a dividend to non-preferential unsecured creditors.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential 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. Specifically, I recovered a certain number of documents regarding the Company and the progress made by its former Liquidator and the OR and obtained and reviewed copy bank statements from the Company's bankers. I have reviewed the Company's position in respect of the Loan Accounts which appear to be owed to the Company as well as the intercompany loan and these matters remain ongoing.

Aside from the conflicting claims and Loan Accounts as previously mentioned above, I have not carried out any further investigations. The opportunity to carry out any further investigations has been hampered by the lack of company records – both those previously/currently held by former Directors and those being withheld due to various parties not providing their consent to do so.

LIQUIDATOR'S REMUNERATION

My remuneration was approved on a time cost basis based on a fees estimate of £70,318. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs to 24 August 2019 amount to £50,038.75, representing 152.57 hours' work at an average charge out rate of £327.97 per hour of which £12,324.70, representing 34.68 hours' work, was charged in the period since 25 August 2018, at an average charge out rate of £355.35 per hour. The actual average charge out rate incurred compares with the estimated average charge out rate of £328.53 in my fees estimate. There is a difference in the blended rate charged, compared with the estimated blended rate because, due to the nature and complexity of the case, there have been more instances where I have had to be directly involved where normally the work would be carried out by the Case Administrator with me overseeing their work.

I have not been able to draw any remuneration in this matter.

A detailed schedule of my time costs incurred to date and since 25 August 2018 compared with my original fees estimate is attached as Appendix 3.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows Seneca IP Limited's fee policy are available at the link www.seneca-ip.co.uk/procedures. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

LIQUIDATOR'S EXPENSES

I have incurred expenses to 24 August 2019 of £1,841.92 of which £63.90 was incurred in the period since 25 August 2018.

I have not been able to draw any expenses in this matter.

I have incurred the following expenses in the period since my last progress report:

Type of expense	Amount incurred/ accrued in the reporting period
Annual Case Management Fee	£63.90

I have not incurred any category 2 disbursements in the period since my last progress report:

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Prodicus Legal	Solicitors	Time costs

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

Prodicus have continued to assist and advise in respect of the disputed claim by Citypoint Limited and the repeated requests from Mr Karus for a meeting of creditors. I have also continued to discuss possible case progression with them to try and find a way forward.

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 their 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 unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Seneca IP Limited can be found at www.seneca-ip.co.uk/procedures.

SUMMARY

The Liquidation will remain open until a solution to the potential claim against the Directors can be found. I estimate that this will take approximately 6 months and once resolved the Liquidation will be finalised and my files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Ben Leaney by email at Ben.Leaney@seneca-ip.co.uk, or by phone on 01629 761700.



John Hedger
Liquidator

Appendix 1

1. Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Maintaining physical/electronic case files.
- Maintaining the case on the practice's electronic case management system and entering data.
- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holder's estate bank account.
- Maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing an annual progress report to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

2. Creditors

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

**GWS Property Limited
(In Liquidation)
LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 25/08/2018 To 24/08/2019 £	From 25/08/2016 To 24/08/2019 £
RECEIPTS			
Deposit Refund		0.00	1,350.00
		<u>0.00</u>	<u>1,350.00</u>
PAYMENTS			
Sec of State Fees		0.00	2,520.00
Bank Charges		88.00	264.00
		<u>88.00</u>	<u>2,784.00</u>
Net Receipts/(Payments)		<u>(88.00)</u>	<u>(1,434.00)</u>
MADE UP AS FOLLOWS			
ISA NIB - interest bearing		(88.00)	(1,434.00)
		<u>(88.00)</u>	<u>(1,434.00)</u>

Note:

John Hedger
Liquidator

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

0476 - GWS Property Limited
From: 25/08/2018 To: 24/08/2019
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
02 Post-appointment statutory matters	0.80	0.20	4.00	0.00	5.00	1,731.50	346.30	37.50	11,303.00
11 Cashiering	0.00	0.00	0.20	0.80	1.00	201.00	201.00	2.19	388.55
15 Office holder tax liability	0.00	0.00	0.00	0.20	0.20	44.00	220.00	0.80	206.00
16 Closure	0.00	0.60	4.20	0.00	4.80	1,653.00	344.38	4.80	1,653.00
19 Checklists/Case Reviews	0.00	1.28	0.90	0.80	2.98	991.20	332.28	5.08	1,513.20
** 20 Billing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	128.00
Administration & Planning	0.80	2.08	9.30	1.80	13.98	4,620.70	330.45	50.77	15,191.75
08 Unsecured creditors	2.30	0.00	6.40	0.00	8.70	3,162.50	363.51	21.70	7,783.00
** 09 Employee claims and D of E	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	504.00
Creditors	2.30	0.00	6.40	0.00	8.70	3,162.50	363.51	23.70	8,287.00
12 Investigation	0.20	0.00	5.80	0.00	6.00	1,882.50	313.75	62.70	20,454.00
Investigations	0.20	0.00	5.80	0.00	6.00	1,882.50	313.75	62.70	20,454.00
** 04 Book debt realisations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	81.00
05 Other asset realisations	5.50	0.00	0.50	0.00	6.00	2,659.00	443.17	15.10	6,025.00
Realisations of Assets	5.50	0.00	0.50	0.00	6.00	2,659.00	443.17	15.40	6,106.00
Total Hours	8.80	2.08	22.00	1.80	34.68	12,324.70	355.35	152.57	50,038.75
Total Fees Claimed						0.00			

** - Denotes codes included in cumulative data that are not present in the period.