

LIQ03

Notice of progress report in voluntary winding up



Companies House

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1 Company details

Company number 0 7 6 8 7 2 3 1

Company name in full Betteshanger Sustainable Park Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Vincent John

Surname Green

3 Liquidator's address

Building name/number 4 Mount Ephraim Road

Street Tunbridge Wells

Post town Kent

County/Region

Postcode T N 1 1 E E

Country

4 Liquidator's name ①

Full forename(s) Steven

Surname Edwards

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 4 Mount Ephraim Road

Street Tunbridge Wells

Post town Kent

County/Region

Postcode T N 1 1 E E




Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

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

**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 **Bethany Tuffs**

Company name **Crowe U.K. LLP**

Address **4 Mount Ephraim Road**

Tunbridge Wells

Post town **Kent**

County/Region

Postcode **T N 1 1 E E**

Country

DX

Telephone **01892 700200**

**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



**Betteshanger Sustainable Park Limited
(In Creditors' Voluntary Liquidation)**

Annual Progress Report to 8 November 2021

**Vincent John Green
Steven Edwards**

**Crowe U.K. LLP
4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE**

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1. INTRODUCTION

On 9 November 2020, Vincent John Green and Mark Newman of Crowe U.K. LLP were appointed Joint Liquidators of Betteshanger Sustainable Park Limited ("the Company"). Under the terms of a Block Transfer Order, Steven Edwards was appointed Joint Liquidator on 29 July 2021, replacing Mark Newman.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to their appointment. Prior to the Joint Liquidators' appointment, a review of ethical issues was undertaken and no ethical threats were identified. Since their appointment the Joint Liquidators have continued to undertake periodic reviews of ethical matters and no ethical threats have been identified.

This Progress Report summarises the progress of the Liquidation for the period from 9 November 2020 to 8 November 2021 ("the Reporting Period").

Statutory information relating to the Company is attached at **Appendix I**.

2. ADMINISTRATION AND PLANNING

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progression of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks can be found at **Appendix II**.

Administrative tasks

During the Reporting Period, the following material tasks in this category were carried out:

- Conducting periodic case reviews to ensure that the Liquidation is progressing efficiently, effectively and in line with statutory requirements;
- Maintaining case files, including documenting decisions made by the Joint Liquidators that materially affect the Liquidation

3. REALISATION OF ASSETS

The Joint Liquidators' Receipts and Payments account is attached at **Appendix III**. The funds in the Liquidation estate are held in an interest-bearing account.

The Joint Liquidators confirm that there were no receipts or payments in the period from 23 October 2020, when the Joint Administrators' final report was issued, and 9 November 2020 when the Administration concluded and the Liquidation commenced. Cash at bank and VAT receivable totalled £506,598.60 when the Administrators' final report was issued, and these assets were transferred to the Joint Liquidators as set out in the attached Receipts and Payments account.

Detailed below is key information about asset realisations and the Joint Liquidators' strategy, however, more details about the work undertaken can be found at **Appendix II**. The Joint Liquidators formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

The Joint Administrators' final report detailed the assets yet to be realised as follows:

Overage

In the preceding Administration, the Company's fixed assets, comprising the land and assets situated on an 80-acre site in east Kent were sold to Quinn Estates Betteshanger Limited ("Quinn"). As part of

the sale, a 10-year overage agreement was entered into between the Company and Quinn. If planning permission is granted for the future development of a roadway through the land sold to Quinn, additional consideration will become due to the Company. The overage agreement provides that £36,600 per acre of land utilised should be paid to the Company.

The Joint Administrators are aware that Quinn has obtained certain planning permission approvals and are currently assessing whether the approvals include a roadway through the land which would trigger any overage payments.

VAT Refund

According to the Director's Statement of Affairs, a VAT repayment of £3,599 is due to the Company. The Joint Liquidators are currently in correspondence with HMRC and await HMRC's confirmation of what VAT returns are outstanding. Assessments have been raised which suggests that HMRC's systems have not been updated to reflect the Administration or subsequent Liquidation. Numerous letters and emails have been sent to HMRC in an attempt to resolve the position. A formal complaint will be considered if no resolution is achieved in the short term.

Prepayments / Rates Refund

The Director's Statement of Affairs anticipated that prepayments totalling £3,827 were realisable. An Environment Agency Refund of £980 was recovered in the preceding Administration. It was anticipated that a rates refund of approximately £2,847 was repayable to the Company. Rates agents Goodman Nash were instructed to assess the rates position on a success basis based on 20% of realisations. Following this, a refund of £8,530.16 was received from Dover District Council. Fees of £1,706.03 were paid to Goodman Nash for the work undertaken.

Bank Interest

Gross bank interest of £1,369.22 has been received in the Reporting Period.

Fixed Assets – Corporation Tax

As reported in the final report of the Administration, whether or not corporation tax was payable on the disposal of the land and property was being assessed at the time the Administration ended and the Liquidation commenced. The Company was in a capital gains group with a group company prior to Administration and an element of the gain on the disposal was transferred to the group company. The residual element was set off against the Company's trading losses in prior periods.

The corporation tax computation and a joint election were submitted to HMRC in January 2021. A response was received from HMRC in May 2021 which confirmed that HMRC are content with the treatment of the property disposal in the corporation tax computations and that no corporation tax would be due on the disposal of the land and property.

Intercompany Debtor

As previously reported, Betteshanger Country Park Limited owed the Company £10,160. This sum has been received but was paid following the end of the Reporting Period so is not reflected in the attached Receipts and Payments account.

4. CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidators have had to carry out key tasks which are detailed at **Appendix II**. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured Creditors

Following the sale of the Company's land and assets, the Company does not have any secured creditors.

Preferential Creditors

The Company did not have any employees and as such there are no preferential creditors.

Unsecured Creditors

Upon the Joint Administrators' appointment, it was understood that trade and expense creditors were approximately £59,051, accruals were £7,107 and Hadlow College (in Education Administration) was owed £1,420,317. In total, unsecured claims were estimated to be £1,486,476. When the Director's Statement of Affairs was submitted, unsecured creditor claims were estimated to be £1,492,756.

Following the Joint Administrators' appointment, a claim of £997,439.56 was received from Marpaul Southern Limited. As the claim from Marpaul was substantial and was disputed prior to the commencement of the Administration, due to the potentially contentious nature of the matter the Joint Administrators considered it appropriate to instruct a specialist solicitor to review the documentation and correspondence. Cripps Pemberton Greenish Solicitors LLP ("Cripps") were instructed to review the same and assist with the adjudication of the claim.

Following receipt of legal advice, the claim was rejected in full by the Joint Liquidators on 12 January 2021. Shortly thereafter, Marpaul made an application to Court to challenge the Joint Liquidators' rejection of their claim. Cripps were then instructed to deal with the Court proceedings.

Evidence was exchanged between the parties and a mediation was held on 7 October 2021 in an attempt to settle the matter prior to it reaching trial. The mediation proceedings were unable to resolve the position and therefore the hearing is set to go ahead. The Joint Liquidators agreed that Marpaul can adduce further evidence in support of their position in advance of the hearing being listed in the High Court.

In the Reporting Period, solicitors' fees of £49,386.00 and counsel's fees of £12,853.75 have been incurred and paid.

Dividend Prospects

Appendix IV provides an Estimated Outcome Statement which includes Marpaul's claim. It is anticipated that, should the Marpaul debt be admitted in full for dividend purposes, a dividend of 16.0 pence in the pound will be paid to unsecured creditors. For comparison purposes, should the rejection of Marpaul's claim stand, the estimated return to creditors would be 26.9 pence in the pound.

As noted, the Estimated Outcome Statement does not take into account any potential realisation from the overage agreement.

As there is no longer a debt due to The Kent County Council there will be no prescribed part in the Liquidation.

5. FEES AND EXPENSES

The Joint Liquidators' Fees

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or partner.

The Joint Administrators' fees were approved by creditors on 3 January 2020 on a fixed fee basis, fixed at £80,000 plus VAT. In the Administration period, £25,000 plus VAT was drawn in respect of the agreed fee. Since conversion to Liquidation, a further fee of £7,500.85 plus VAT was drawn in respect of the Administration, as shown in the Receipts and Payments account.

As the Administration has moved to Creditors' Voluntary Liquidation the basis of remuneration fixed in the Administration is treated as having been fixed in the Liquidation. In the Reporting Period, further fees of £17,499.15 have been drawn.

Expenses

Expenses are amounts payable by the Joint Liquidators from the Liquidation estate which are not otherwise categorised as the Joint Liquidators' remuneration or as a distribution to a creditor or creditors.

Category 1 expenses are payments to entities providing a service to which the expense relates who are not associates and where the specific expenditure is directly referable to the Liquidation. These expenses are charged to the estate at cost. Liquidators may discharge Category 1 expenses from the funds held in the Liquidation without further recourse to creditors.

Category 2 expenses are other expenses which are payable to associates or which have an element of shared cost. Payments may only be made in relation to Category 2 expenses if the creditors have approved the bases of their calculation. Category 2 expenses were approved by creditors in the course of the Administration.

Details of the expenses incurred and paid in the Reporting Period and also since the commencement of the Liquidation are detailed at **Appendix V** together with a comparison to the expenses that were estimated at the outset.

Sub-Contracted Work

Goodman Nash were instructed regarding the rates refund due to the Company. The decision was taken to instruct agents as they specialise in business rates and due to the complexity of the matter it was more commercial to outsource this work. As a consequence of their instruction, a historic rates review was undertaken and a greater realisation was achieved.

Specialist Advice and Services

When instructing third parties or associates to provide specialist advice and/or services the Joint Liquidators are obligated to ensure that the work is warranted and that the work undertaken provides good value. In each case, when considering which specialist to instruct, the Joint Liquidators take into account the experience and knowledge of the specialist, the likely cost to the Liquidation estate and whether the cost of the instruction is proportionate to the likely benefit.

Guidance in respect of insolvency practitioners' fees is available to download at:

<http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>

Information about insolvency processes can be found on the R3 website at:

<http://www.creditorinsolvencyguide.co.uk/>

A hard copy of this guidance information will be provided on request.

Crowe U.K. LLP's charge out rate and expenses policy is attached at **Appendix VI**.

6. CREDITORS' RIGHTS

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 Joint Liquidators' 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 Joint Liquidators' 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.

7. CONCLUSION

The administration of the Liquidation will continue in order to finalise the following outstanding matters that are preventing the case from being closed:

- Conclusion of the legal proceedings between Marpaul and the Company
- Agreement of the Company's VAT position and receipt of the VAT refund due
- Receipt of potential realisations from the overage agreement
- Payment of a dividend to creditors

The Joint Liquidators anticipate that the Liquidation will remain open for a further 12 to 24 months to enable these matters to be dealt with.

Should you have any queries, please contact Bethany Tuffs at this office.



Signed _____
Vincent John Green
Joint Liquidator

Date 21 December 2021

Appendix I

Statutory Information

Company Name	Betteshanger Sustainable Park Limited
Company Number	07687231
Registered Office	4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Former Registered Office	Hadlow College, Hadlow, Tonbridge, Kent, TN11 0AL
Office holders	Vincent John Green and Steven Edwards
Office holders' address	Crowe U.K. LLP, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Office holders' telephone	01892 700 200
Date of appointment	9 November 2020
Change in office holder	Steven Edwards was appointed Joint Liquidator on 29 July 2021, replacing Mark Newman.

Appendix II

List of Work Undertaken in Reporting Period

General Description	Includes
Administration and Planning	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Realisation of Assets	
Intercompany Debtor	Review of rent payments payable to Quinn Correspondence with Quinn regarding the debt due
Other assets: VAT Reclaims, Pre payments	Assessing recoverability of pre-payment Liaising with agents Receipt of Rates Refund Assessing VAT return position
Creditors	
Creditor Communication	Receive and follow up creditor enquiries via telephone
Dealing with proofs of debt	Receipting and filing claims when not related to a dividend
Processing proofs of debt/Creditor claims	Receipt of claims Adjudicating claims Request further information from claimants regarding claims Preparation of correspondence to claimant advising outcome of adjudication Seeking solicitors' advice on the validity of Marpaul's claim Attending mediation

Appendix III

Receipts & Payments Account

Statement of Affairs £	From 09/11/2020 To 08/11/2021 £	From 09/11/2020 To 08/11/2021 £
	ASSET REALISATIONS	
	Transfer from Administration	506,598.60
3,599.00	VAT - Net Input Tax Recoverable	NIL
3,827.00	Prepayments	NIL
	Rates Refund	8,530.16
	Gross Bank Interest	1,369.22
		<u>516,497.98</u>
	COST OF REALISATIONS	
	Joint Administrators' Fees	7,500.85
	Joint Liquidators' Fees	17,499.15
	Agents Fees - Goodman Nash	1,706.03
	Legal Fees - Cripps LLP	49,386.00
	Counsel's Fees	12,853.75
	Statutory Advertising	80.00
		<u>(89,025.78)</u>
	UNSECURED CREDITORS	
(1,492,739.00)	Unsecured Creditors	<u>NIL</u>
		<u>NIL</u>
	DISTRIBUTIONS	
(1.00)	Ordinary Shareholders	<u>NIL</u>
		<u>NIL</u>
<u>(1,485,314.00)</u>		<u>427,472.20</u>
	REPRESENTED BY	
	Vat Receivable	39,139.01
	Bank 1 Current - Barclays	388,333.19
		<u>427,472.20</u>

Appendix IV

Estimated Outcome Statement

	R&P as at 08/11/21	Future Movements	Final Projected
	£		
Asset Realisations			
Transfer from Administration	506,599	-	506,599
VAT - Net Input Tax Recoverable	-	3,599	3,599
Rates Refund	8,530	-	8,530
Gross Bank Interest	1,369	200	1,569
Intercompany Debtor	-	10,160	10,160
	516,498	13,959	530,457
Costs of Realisation			
Administrators/Liquidators' Fees	(25,000)	(30,000)	(55,000)
Liquidators' Expenses & Disbursements	(80)	(250)	(330)
Agents Fees	(1,706)	-	(1,706)
Counsels fees	(12,854)	(10,000)	(22,854)
Legal Fees	(49,386)	(5,000)	(54,386)
Total expenses	(89,026)	(45,250)	(134,276)
Available for Preferential Creditors	427,472	(31,291)	396,181
Preferential Creditors	-	-	-
Available for Unsecured Creditors	427,472	(31,291)	396,181
Unsecured Creditors			
Trade & Expense Creditors			24,607
Marpaul Southern Limited			997,440
Intercompany Creditor - Hadlow College			1,450,406
			2,472,453
Estimated Dividend to Unsecured Creditors (p/£)			16.0

Note:

This estimated outcome statement does not take into account any potential realisation from the overage agreement

Appendix V

Expenses Information

Category 1 Expenses	Basis	Original Estimated Total	Actual Expenses incurred in the review period	Actual Expenses incurred to Date	Actual Expenses paid in the review period	Actual Expenses paid to Date
Legal Costs						
Solicitors and Counsel's fees have been incurred in dealing with Marpaul's application to Court to appeal the rejection of their claim for dividend purposes		-	62,354.00	62,354.00	62,239.75	62,239.75
Accounting Fees						
BDO will be instructed to prepare corporation tax returns and deal with any gain on the sale of the land and assets.	Fixed Fee / Time Costs	5,000.00	-	-	-	-
Books & Records Collection, Storage and Destruction						
Chatham Archive will be instructed to collect, inventory, store and eventually securely destroy the Company's books and records.	Fixed Fee	750.00	-	-	-	-
Rates Review Agents						
Goodman Nash were instrcted to carry out a historic rates audit to ascertain whether a rates refund may be due to the Company.	Success Fee - Percentage	1,000.00	1,706.03	1,706.03	1,706.03	1,706.03
Statutory Advertising		234.00	80.00	80.00	80.00	80.00
Statutory Bond		800.00	-	-	-	-
Postage		75.00	-	-	-	-
HM Land Registry Search Fees		24.00	-	-	-	-
Category 2 Expenses	Basis	Original Estimated Total	Actual Expenses incurred in the review period	Actual Expenses incurred to Date	Actual Expenses paid in the review period	Actual Expenses paid to Date
Photocopying		50.00	-	-	-	-
Mileage		50.00	104.20	104.20	-	-

Appendix VI

Charge Out Rates and Expenses Policy

The table below sets out the charge-out rates utilised by Recovery Solutions at Crowe U.K. LLP for charging staff time:-

Partner	£400 per hour
Director	£350 per hour
Senior Manager	£300 per hour
Manager	£250 per hour
Assistant Manager	£200 per hour
Senior Administrator	£175 per hour
Administrator/Cashier	£140 per hour
Trainee/Support Staff	£75 per hour

It should be noted that the above rates may increase from time to time over the period of the administration of each insolvency case. The above rates are effective from 1 April 2021. Time is charged in six minute units.

Expenses

Expenses are amounts properly payable by the office holder from the estate which are not otherwise categorised as the office holder's remuneration or as a distribution to a creditor or member. These may include, but are not limited to, legal fees, agents' fees, trading expenses and tax liabilities.

Category 1 expenses are payments to entities providing a service to which the expense relates who are not associates and where the specific expenditure is directly referable to the appointment in question. These are charged to the estate at cost, with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums. Legislation provides that office holders may discharge Category 1 expenses from the funds held in the estate without further recourse to creditors or members.

Category 2 expenses are other expenses which are payable to associates or which have an element of shared cost. Payments may only be made in relation to Category 2 expenses after the creditors or members have approved the bases of their calculation.

Further Guidance

Guidance in respect of insolvency practitioners' fees is available to download at:

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