

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A7XARNSB

A29

16/01/2019

#190

COMPANIES HOUSE

1 Company details

Company number 08948632
Company name in full Baxenden Developments Ltd

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

2 Administrator's name

Full forename(s) Michael Goldstein
Surname MABRP

3 Administrator's address

Building name/number Egale 1
Street
Post town 80 St Albans Road
County/Region Watford
Postcode WD17 1DL
Country

4 Administrator's name ①

Full forename(s) Avner
Surname Radomsky

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


5 Administrator's address ②

Building name/number PO Box 797
Street Borehamwood
Post town Hertfordshire
County/Region
Postcode WD6 9NE
Country

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

AM10

Notice of administrator's progress report

6		Period of progress report																														
From date	d		1		d		9		m		0		m		6		y		2		y		0		y		1		y		8	
To date	d		1		d		8		m		1		m		2		y		2		y		0		y		1		y		8	
7		Progress report																														
		<input checked="" type="checkbox"/> I attach a copy of the progress report																														
8		Sign and date																														
Administrator's signature	Signature		X														X															
Signature date	d		1		d		4		m		0		m		1		y		2		y		0		y		1		y		9	

AM10

Notice of administrator's progress report



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	Avner Radomsky
Company name	AR Insolvency Practitioners Limited
Address	PO Box 797 Borehamwood
Post town	Hertfordshire
Country/Region	
Postcode	WD6 9NE
Country	
DX	
Telephone	0203 6037871



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

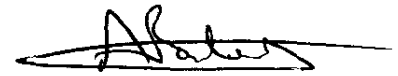
For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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

Baxenden Developments Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 19/06/2018 To 18/12/2018 £	From 19/06/2018 To 18/12/2018 £
REPRESENTED BY	<u>NIL</u>	<u>NIL</u>
		<u>NIL</u>

Note:



Avner Radomsky
Joint Administrator

Joint Administrators' Progress Report

**Baxenden Developments Ltd -
In Administration**

14 January 2019

BAXENDEN DEVELOPMENTS LTD - IN ADMINISTRATION

CONTENTS

- 1** Introduction
- 2** Progress of the Administration
- 3** Pre-administration Costs
- 4** Joint Administrators' Remuneration
- 5** Estimated Outcome for Creditors
- 6** Ending the Administration
- 7** Creditors' Rights
- 8** Next Report

APPENDICES

- A** Receipts and Payments Account from 19 June 2018 to 18 December 2018
- B** Additional Information in Relation to the Joint Administrator's Fees, Expenses & Disbursements
- C** Estimated Outcome Statement as at 14 January 2019

THE JOINT ADMINISTRATORS' PROGRESS REPORT

1 Introduction

- 1.1 Michael Goldstein of Myers Clark, Egale 1, 80 St Albans Road, Watford, WD17 1DL, together with Avner Radomsky of A R Insolvency, PO Box 797, Borehamwood, Hertfordshire, WD6 9NE, were appointed Joint Administrators of the Company on 19 June 2018 by Macro Assembly Limited (Macro) under their charge.
- 1.2 The Administration is registered in the Manchester High Court, reference number 2567 of 2018
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at: www.arinsolvency.com/wp-content/uploads/2018/05/GDPR-Privacy-Notice.pdf. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The trading address of the Company was The Hangar, Orrell Fold Farm, Moorside Road, Turton, Lancs, BL7 0JZ.
- 1.5 The registered office of the Company is c/o Egale 1, 80 St Albans Road, Watford, WD17 1DL and its registered number 08948632.
- 1.6 As Joint Administrators, we are required to provide a progress report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This progress report covers the period from 19 June 2018 to 18 December 2018 (**the Period**) and should be read in conjunction with our earlier proposals report and any previous progress reports which have been issued.

2 Progress of the Administration

- 2.1 You may recall that the statutory objective being pursued in the Administration was to realise property in order to make a distribution to one or more secured or preferential creditors. In addition to the pursuance of this statutory objective, the Joint Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 2.2 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Joint Administrators under other related legislation.
- 2.3 At Appendix A is our Receipts and Payments Account covering the period of this report.
- 2.4 Further information about the basis of remuneration agreed in this case and the Joint Administrators' fees estimate can be found in section 4 of this report, together with any relevant information about revisions to my initial estimate, where applicable.

Administration (including statutory compliance & reporting)

- 2.5 As noted above, the Joint Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that I anticipated would need to be done in this area was outlined in my initial fees estimate/information.
- 2.6 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint Administrators.

BAXENDEN DEVELOPMENTS LTD - IN ADMINISTRATION

- 2.7 As noted in our initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Trading

- 2.8 The Company is now under the control of the Joint Administrators, who have appointed agents to assist with the insuring, securing, maintenance, repair, marketing and sale of the site

Realisation of Assets

- 2.9 We are continuing to work with agents to work towards a sale of the site or individual properties.
- 2.10 Substantial time has been expended in securing and maintaining the site, together with obtaining the requisite insurances and other legal information and matters to assist with any sale.
- 2.11 We have spent much time, along with our agents, in dealing with the local council, planning officers, resident groups etc.
- 2.12 It is considered that the work the Joint Administrators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company.

Creditors (claims and distributions)

- 2.13 Further information on the anticipated outcome for creditors in this case can be found at section 5 of this report. An Administrator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.14 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal
- 2.15 The above work will not necessarily bring any financial benefit to creditors generally, however an Administrator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Administrator in dealing with those claims.

Investigations

- 2.16 Some of the work the Joint Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Administrators can pursue for the benefit of creditors.
- 2.17 I can confirm that we have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2.18 Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting (where held) or as a response to our request to complete an investigation questionnaire

BAXENDEN DEVELOPMENTS LTD - IN ADMINISTRATION

- 2.19 Our investigations are ongoing in this matter. Due to the nature of those investigations, we do not propose to go into further detail at this time, in order to not prejudice any potential claims. Further updates will be provided in due course.

3 Pre-administration Costs

- 3.1 On 5 September 2018 the following amounts in respect of pre-administration costs were approved:

Name of recipient	Brief description of services provided	Total amount approved
Myers Clark / A R Insolvency	Pre-appointment advice, research and strategy planning (fixed fee)	£10,000

- 3.2 The pre-administration costs were reported in our proposals dated 3 August 2018.

4 Joint Administrators' Remuneration

- 4.1 The basis of the Joint Administrators' fees has been fixed in the Administration as a percentage value of the fixed charged assets, being 0.93% and as a percentage value of the floating charged assets, being 30%, with which the Joint Administrators have to deal with, plus disbursements, less £10,000.
- 4.2 Our fees estimate/information was originally provided to creditors when the basis of our remuneration was approved and was based on information available to me at that time.
- 4.3 The Joint Administrators have not made any realisations yet upon which the creditors have approved a percentage be taken as remuneration.
- 4.4 At the date of this report, I would confirm that our fees estimate for the Administration remains unchanged.
- 4.5 A copy of "A Creditors' Guide to Administrators' Fees" is available on request or can be downloaded from www.arinsolvency.com > Technical Resources. If you would prefer this to be sent to you in hard copy please contact Debbie Convery on 01923 224411.
- 4.6 Attached at Appendix B is additional information in relation to the Joint Administrators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Estimated Outcome for Creditors

- 5.1 An Estimated Outcome Statement as at 14 January 2019 is attached at Appendix F.

Secured Creditors

- 5.2 Macro Assembly Limited holds a fixed and floating charge over the Company's assets. At the date of the Administration the indebtedness to the secured creditor was estimated at £3,366,935.56. To date no distribution has been paid.

Preferential Creditors

- 5.3 There are no preferential creditors.

BAXENDEN DEVELOPMENTS LTD - IN ADMINISTRATION

Unsecured Creditors

- 5.4 I have received claims totalling of £7,949.14 from one creditor.
- 5.5 The Company granted a floating charge to Macro Assembly Limited on 26 February 2016. Accordingly, I am required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**).
- 5.6 Based on present information, I estimate the value of the Company's net floating charge property to be £Nil. Arising from this, the value of the unsecured creditors' fund is presently estimated to be £Nil. Please note that this estimate is subject to fluctuation and the final outcome can only be determined once all asset realisations have been made.

6 Ending the Administration

- 6.1 All Administrations automatically come to an end after the period of one year, unless the Company's creditors agree to extend this period, or the Court orders the Joint Administrators' term of office be extended for a specified period of time.
- 6.2 At the time of drafting these Proposals I believe that an extension to the period of Administration may become necessary, however I will confirm the position to creditors in a subsequent progress report in due course.
- 6.3 The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect

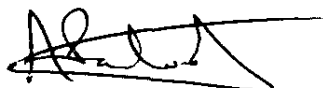
7 Creditors' Rights

- 7.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Administrators, as set out in this progress report, are excessive.

8 Next Report

- 8.1 The Joint Administrators are required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or he wishes to extend it.

For and on behalf of
Baxenden Developments Ltd



Avner Radomsky
Joint Administrator

BAXENDEN DEVELOPMENTS LTD - IN ADMINISTRATION

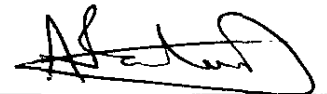
Appendix A

Receipts and Payments Account from 19 June 2018 to 18 December 2018

Baxenden Developments Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 19/06/2018 To 18/12/2018 £	From 19/06/2018 To 18/12/2018 £
REPRESENTED BY	NIL	NIL
		NIL

Note:



Avner Radomsky
Joint Administrator

BAXENDEN DEVELOPMENTS LTD - IN ADMINISTRATION

Appendix B

Additional Information in Relation to the Administrator's Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Artis Construction Limited (securing, insuring, maintaining and sale of plots)	Disbursements plus 10% administration charge (all plus VAT)

- 2.2 Our choice 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.

3 Joint Administrators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Joint Administrators' Proposals Report a copy of which is set out below:

Expense	Estimated cost (£)
Statutory advertising	77.00
Specific penalty bond	80.00

Current position of Joint Administrators' expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Agents' costs			11,432.93	11,432.93
Insurance			30,060.00 (less 16,376.68 held)	13,683.32
Statutory advertising			77.00	77.00
Specific penalty bond			80.00	80.00

BAXENDEN DEVELOPMENTS LTD - IN ADMINISTRATION

- 3.3 The agent's costs above were not previously mentioned. These have been incurred in securing and maintaining the site for sale. The LABC Warranty had to be renegotiated due to the insolvency of the developer and an additional premium is to be paid prior to sale of the properties.
- 3.4 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 3.5 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided in the Joint Administrators' Proposals Report and approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

BAXENDEN DEVELOPMENTS LTD - IN ADMINISTRATION

Appendix C

Estimated Outcome Statement as at 14 January 2019

Assets subject to Fixed Charge	
Land & property (estimated)	3,000,000.00
	3,000,000.00
Less:	
Joint Administrators' Fees (estimated)	(27,900.00)
Joint Administrators' Expenses (estimated)	(40,000.00)
Available to Secured Charge Holder	2,932,100.00
Amount due to Secured Charge Holder	(3,366,935.56)
Surplus / (deficit) to Secured Charge Holder	(434,835.56)
Assets Subject to Floating Charge	
Investigation Proceeds	uncertain
Preferential creditors	0
	0
Surplus / (deficit) due to Secured Charge Holder under fixed charge	
Unsecured Creditors - estimated	(97,949.14)
Surplus / (deficit) available for unsecured creditors	(532,784.70)