

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1	Company details	
Company number	0 8 9 4 8 6 3 2	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Baxenden Developments Ltd	
2	Liquidator's name	
Full forename(s)	Avner	
Surname	Radomsky	
3	Liquidator's address	
Building name/number	Devonshire House	
Street	Manor Way	
Post town	Borehamwood	
County/Region	Hertfordshire	
Postcode	W D 6 1 Q Q	
Country		
4	Liquidator's name ^①	
Full forename(s)	Michael	① Other liquidator Use this section to tell us about another liquidator.
Surname	Goldstein	
5	Liquidator's address ^②	
Building name/number	Devonshire House	② Other liquidator Use this section to tell us about another liquidator.
Street	Manor Way	
Post town	Borehamwood	
County/Region	Hertfordshire	
Postcode	W D 6 1 Q Q	
Country		

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6 Period of progress report

From date	d	2	d	7	m	0	m	5	y	2	y	0	y	2	y	2
To date	d	2	d	6	m	0	m	5	y	2	y	0	y	2	y	2

7 Progress report

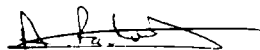
☐ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

d	1	d	8	m	0	m	7	y	2	y	0	y	2	y	2
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LIQ03

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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	Avner Radomsky
Company name	RG Insolvency Limited
Address	Devonshire House
	Manor Way
Post town	Borehamwood
County/Region	Hertfordshire
Postcode	W D 6 1 Q Q
Country	
DX	info@rginsolvency.com
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 LIMITED - IN LIQUIDATION



**Joint Liquidators' Annual Progress Report
to Creditors and Members**

**Baxenden Developments Ltd
- In Liquidation**

11 July 2022

BAXENDEN DEVELOPMENTS LIMITED - IN LIQUIDATION

CONTENTS

- 1** Introduction and Statutory Information
- 2** Receipts and Payments
- 3** Progress of the Liquidation
- 4** Creditors
- 5** Joint Liquidators' Remuneration
- 6** Creditors' Rights
- 7** Next Report

APPENDICES

- A** Receipts and Payments Account for the Period from 27 May 2021 to 26 May 2022 and Cumulative Receipts and Payments Account for the Period since the Joint Liquidators' Appointment
- B** Additional information in relation to Joint Liquidators' Fees, Expenses & the use of subcontractors

BAXENDEN DEVELOPMENTS LIMITED - IN LIQUIDATION**1 Introduction and Statutory Information**

- 1.1 I, Avner Radomsky, together with my partner Michael Goldstein, of RG Insolvency Limited, Devonshire House, Manor Way, Borehamwood, Hertfordshire, WD6 1QQ, was appointed as Joint Liquidator of Baxenden Developments Ltd (the **Company**) on 27 May 2020.
- 1.2 Where joint liquidators are appointed any reference to the singular appointment shall be read as joint and in the plural.
- 1.3 This progress report covers the period from 27 May 2021 to 26 May 2022 (**the Period**) and should be read in conjunction with any previous progress report[s] which have been issued.
- 1.4 The principal trading address of the Company was Hilltop, Baxenden, Accrington, Lancashire, BB5 2PW. The Company's principal activity was Property development.
- 1.5 The registered office of the Company has been changed to Devonshire House, Manor Way, Borehamwood, Hertfordshire, WD6 1QQ and its registered number is 08948632.
- 1.6 Information about the way that we will use, and store personal data on insolvency appointments can be found at www.rginsolvency.com/privacy-disclosure. If you are unable to download this, please contact us and a hard copy will be provided to you.

2 Receipts and Payments

- 2.1 At Appendix A is my Receipts and Payments Account covering the Period of this report together with a cumulative Receipts and Payments Account for the period from the date of my appointment as Liquidator to the end of the Period covered by this report.

In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs.

3 Progress of the Liquidation

- 3.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 3.2 Since my appointment four properties have been sold and another is in the process of being sold.
- 3.3 We continue to work with the agents with regards to securing the sale of the remaining properties.
- 3.4 As previously stated, the Joint Administrators identified a right of action against the Directors and assigned the claims to Manolete Partners. These were sold in the Administration and an initial sum of £15,000 was received. A settlement agreement has been reached and it was agreed that the liquidation would receive 50% of the net proceeds.

Administration (including statutory compliance & reporting)

- 3.5 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees information which was previously agreed by creditors.
- 3.6 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 Liquidators.
- 3.7 As noted in my initial fee information, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

BAXENDEN DEVELOPMENTS LIMITED - IN LIQUIDATION

3.8 Some of the work undertaken by an insolvency practitioner is required by statute and may not necessarily provide a financial benefit to creditors but is required on every case by statute. Examples of this work include investigations required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 or dealing with the claims of the former employees via the National Insurance Fund.

3.9 Below are details of the work I have undertaken during the reporting period: -

- (i) Preparing and issuing an annual progress report to members and creditors
- (ii) Lodging a periodic return with the Registrar of Companies for the liquidation
- (iii) Complying with statutory duties in respect of the Liquidator's specific penalty bond
- (iv) Update of case files on my firm's insolvency software
- (v) Storing the Company's books and records
- (vi) Completion of statutory duties in relation to identifying a pension scheme
- (vii) Periodic case progression review[s]
- (viii) Maintaining the liquidation estate cashbook and bank account
- (ix) Dealing with all post-appointment VAT corporation tax compliance
- (x) Liaison with secured creditors, obtaining charge documents and validating the security
- (xi) On-going review of ethical considerations.

3.10 Based on the current position of the case, the current work which remains to be completed is the following: -

- (i) Complying with statutory duties in respect of the Liquidator's specific penalty bond
- (ii) Continuing to maintain the liquidation estate cashbook and bank account
- (iii) Continuing to update case files on my firm's insolvency software
- (iv) Continuing to deal with all post-appointment VAT and corporation tax compliance
- (v) Completion of periodic case progress reviews
- (vi) Preparing and issuing an annual progress report to members and creditors
- (vii) Lodging a periodic return with the Registrar of Companies for the liquidation
- (viii) Continuing to liaise with the agents to secure the sale of the remaining properties
- (ix) On-going review of ethical considerations
- (x) Statutory steps to close the liquidation.

Realisation of Assets

3.11 During the period, the sum of £245,000 has been realised through the sale of one property.

3.12 It is anticipated that the work the Liquidator and his staff have undertaken to date will bring a financial benefit to secured creditors only.

BAXENDEN DEVELOPMENTS LIMITED - IN LIQUIDATION

3.13 The following realisations were achieved during the Period.

3.14 **Sale of Properties**

- (i) The properties sold during the period of this report have realised £245,000 and this amount has been paid into the liquidation account.

3.15 **Assignment of Claim**

3.16 As stated above the assignment of a claim against the former directors was agreed with Manolete Partners. The total sum that was agreed to be paid was £87,000 with an initial lump sum of £50,000 to be paid followed by 11 monthly payments of £2,500 and a final payment of £10,000.

3.17 Prior to Agreement being reached Manolete issued a statutory demand and subsequent bankruptcy petition against the former directors which in turn obviously affected the costs and net amount received.

3.18 During the period of this report the sum of £31,395.96 has been received from Manolete Partners which, after costs, was 50% of the net amount received.

Creditors (claims and distributions)

3.19 Further information on the anticipated outcome for creditors in this case can be found at section 4 of this report. The Liquidators are 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.

3.20 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.

3.21 Work undertaken by the Liquidators in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however the Liquidators are 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 Liquidators in dealing with those claims.

3.22 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.

3.23 At this stage, I consider the following matters worth bringing to the attention of creditors:

- There is one secured creditor who are owed approximately £3,366,953.56
- There are two unsecured creditor claims in this case with a value per the director(s) statement of affairs of £96,028.80

Investigations

3.24 You may recall from my first progress report to creditors that some of the work the Liquidators 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 Liquidators can pursue for the benefit of creditors.

3.25 My report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills under the CDDA 1986 was submitted during the first year of the liquidation and is confidential.

BAXENDEN DEVELOPMENTS LIMITED - IN LIQUIDATION

Since my last progress report, I would advise that no further asset realisations have come to light that may be pursued by me for the benefit of creditors

Matters still to be dealt with

3.26 Based on the current position of the case, the matters yet to be dealt with are as follows: -

- Realisation of the remaining properties.

4 Creditors***Secured Creditors***

4.1 Macro Assembly Limited holds a Legal Mortgage over the Company's assets. At the date of the liquidation the indebtedness to the secured creditor was estimated at £3,366,935.56, this sum has now been agreed. To date £735,368.75 has been paid on account.

Preferential Creditors

4.2 No claims were anticipated, and none have been received.

Unsecured Creditors

4.3 The Company's statement of affairs indicated there were two creditors whose debts totalled £96,028.80 and I have received claims in this amount.

4.4 The above claims have not been agreed and will only be adjudicated should a dividend become payable.

4.5 I would confirm that it is anticipated there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

5 Joint Liquidators' Remuneration

5.1 Where a company in Administration subsequently moves into Liquidation under Paragraph 83 of Schedule B1 to the Insolvency Act 1986 and the Administrators become the Liquidators, the basis of fees fixed in the earlier Administration automatically transfers to the subsequent liquidation. Administrators are able to provide a fee estimate for the liquidation (if they envisage the Company will move into liquidation on exit from the Administration) either with their proposals in the earlier Administration or following their appointment as Liquidators. In this case, the basis of my remuneration as 0.93% of the charged assets, as agreed in the Administration, transferred over and my fees estimate for the liquidation was provided in the proposals dated 3 August 2018 was approved by creditors.

5.2 The Joint Liquidators have made the following realisations upon which the creditors have approved a percentage be taken as remuneration. Details of the realisations to date and associated remuneration drawn on account of those realisations is set out below. Any fees not yet drawn will be dealt with prior to closure and the final amount paid to my firm in this regard will be confirmed in my final progress report in due course.

Asset category	Value of assets realised in Period	Total value of assets realised since appointment	Remuneration % agreed	Total fees invoiced to date	Fees incurred but not drawn	Drawn to date
Freehold land and property	£245,000	£983,000	0.93% - less £10,000	£1,787.75	£4,491.90	£6,287.75
Sale of Litigation	£31,395.96	£46,395.96	30%	£4,500.00	£9,418.78	£4,500.00

BAXENDEN DEVELOPMENTS LIMITED - IN LIQUIDATION

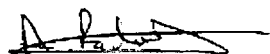
- 5.3 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.rginsolvency.com/technical-resource/creditors-guides-to-fees/.
- 5.4 Attached as Appendix B is additional information in relation to the Liquidators' fees and expenses, including where relevant, information on the use of subcontractors and professional advisers.

6 Creditors' Rights

- 6.1 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 Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 6.2 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 Liquidators' remuneration is inappropriate and/or the remuneration charged, or the expenses incurred by the Liquidators, as set out in this progress report, are excessive.

7 Next Report

- 7.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will make my final account available to all creditors.
- 7.2 If you have any queries in relation to the contents of this report, I can be contacted by telephone on 020 3603 7871 or by email at info@rginsolvency.com.



Avner Radomsky
Joint Liquidator

BAXENDEN DEVELOPMENTS LIMITED - IN LIQUIDATION

Appendix A

**Receipts and Payments Account for Period from 27 May 2021 to 26 May 2022 and Cumulative Receipts
and Payments Account from 27 May 2020 to 26 May 2022**

Baxenden Developments Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 27/05/2021 To 26/05/2022 £	From 27/05/2020 To 26/05/2022 £
SECURED ASSETS		
Freehold Land & Property	245,000.00	983,000.00
	<u>245,000.00</u>	<u>983,000.00</u>
COSTS OF REALISATION		
Office Holders Fees	NIL	6,287.75
Legal Fees	909.00	3,618.00
Agents/Valuers Fees	2,450.00	9,830.00
Lancashire Council	400.00	1,600.00
	<u>(3,759.00)</u>	<u>(21,335.75)</u>
SECURED CREDITORS		
Macro Assembly	237,884.85	735,368.75
	<u>(237,884.85)</u>	<u>(735,368.75)</u>
ASSET REALISATIONS		
Balance from Administration	NIL	15,000.00
Book Debts	31,395.96	31,395.96
	<u>31,395.96</u>	<u>46,395.96</u>
COST OF REALISATIONS		
Companies House Penalty	375.00	375.00
Legal fees (2)	13,529.00	13,529.00
	<u>(13,904.00)</u>	<u>(13,904.00)</u>
UNSECURED CREDITORS		
Trade & Expense Creditors	NIL	231,007.92
	<u>NIL</u>	<u>(231,007.92)</u>
	<u>20,848.11</u>	<u>27,779.54</u>
REPRESENTED BY		
Bank 1 Current		24,405.54
Vat Receivable		3,374.00
		<u>27,779.54</u>

BAXENDEN DEVELOPMENTS LIMITED - IN LIQUIDATION**Appendix B****Additional Information in Relation to the Joint Liquidators' Fees, Expenses and the use of Subcontractors****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 Director, 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 have not utilised the services of any subcontractors on 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
Manolete Partners (litigation services)	Percentage of assets realised
Lawrence Stephens Solicitors (Legal Advice)	Percentage of assets realised
Keenans Estate Agents Limited	Percentage of assets realised

- 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 Liquidators' Expenses

- 3.1 The table below compares the anticipated costs against those incurred to date.

Category 1 expenses

- 3.2 These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.

Expense	Estimated overall cost £	Paid in Prior Period £	Paid in the period covered by this report £	Incurred but not paid to date £
Statutory advertising	80.75	n/a	n/a	80.75
Specific Penalty Bond	30.00	n/a	n/a	30.00
Lancashire Council	1,200	1,200	400	Nil
Lawrence Stephens Solicitors	2,709	2,709	909	Nil
Keenans Estate Agents Ltd	7,380	7,380	2,450	Nil

BAXENDEN DEVELOPMENTS LIMITED - IN LIQUIDATION

- 3.3 The current bond covers realisations into the estate up to a value of £5,000. Should realisations exceed this amount, then there will be a corresponding increase in the premium payable.
- 3.4 An advert have been placed in the London Gazette, attracting a charge of £80.75 plus VAT per advert. In the event that sufficient funds are realised to facilitate a distribution to creditors, then an advert will be placed for a Notice of Intended Dividend at the current cost of £86.70 plus VAT.
- 3.5 All costs are subject to VAT.

Category 2 expenses

- 3.6 These expenses 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 therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2 expenses charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by creditors.
- 3.7 We have not paid any Category 2 expenses during the course of the liquidation