

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



A06 *A7YPULT6* 06/02/2019 #358
COMPANIES HOUSE

1 Company details

Company number 09130127

Company name in full Loughborough Triangle Projects Limited

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

2 Liquidator's name

Full forename(s) Louise Donna

Surname Baxter

3 Liquidator's address

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region Essex

Postcode SS1 2EG

Country

4 Liquidator's name

Full forename(s) Lloyd

Surname Biscoe

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

5 Liquidator's address

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region Essex

Postcode SS1 2EG

Country

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

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6 Period of progress report

From date	^d 0	^d 5	^m 1	^m 2	^y 2	^y 0	^y 1	^y 7
To date	^d 0	^d 4	^m 1	^m 2	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date	^d 0	^d 1	^m 0	^m 2	^y 2	^y 0	^y 1	^y 9
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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 **Laura Bodgi**Company name **Begbies Traynor (Central) LLP**Address **The Old Exchange
234 Southchurch Road**Post town **Southend on Sea**

County/Region

Postcode **S S 1 2 E G**

Country

DX

Telephone **01702 467255****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

Loughborough Triangle Projects Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 05/12/2017 To 04/12/2018 £	From 05/12/2016 To 04/12/2018 £
	SECURED ASSETS		
Uncertain	Freehold Land & Property	NIL	NIL
		NIL	NIL
	COURT AWARDED COSTS		
	Recv'd adverse costs	NIL	235,000.00
	Legal disbursements and expenses	NIL	(63,896.87)
	Gateley legal fees	NIL	(132,481.26)
		NIL	38,621.87
	ASSET REALISATIONS		
	Proprietary Claim	NIL	2,550,000.00
	Bank Interest Gross	398.18	398.18
	Share of Flat 3 realisation	79,546.14	79,546.14
		79,944.32	2,629,944.32
	COST OF REALISATIONS		
	Specific Bond	463.50	481.50
	Statement of Affairs Fee	NIL	15,000.00
	Liquidators' Fees	27,841.14	920,091.14
	Liquidators' Expenses	752.87	1,017.07
	Adverse costs indemnity cover	NIL	30,000.00
	Agents - site security costs	NIL	35,621.75
	Agents/Valuers Fees - property	23,667.03	81,317.03
	Valuer fee - Martin DeVarga	NIL	2,500.00
	Legal disbursements & expenses	20,131.39	80,843.62
	Legal Fees	206,511.67	466,408.41
	Irrecoverable VAT	56,820.09	361,420.42
	Stationery & Postage	14.49	14.49
	Director fees and costs	3,500.00	59,518.00
	Statutory Advertising	NIL	476.40
	Insurance of Assets	NIL	550.00
	Flat 3 costs of realisations	7,842.15	7,842.15
		(347,544.33)	(2,063,101.98)
	UNSECURED CREDITORS		
(1,803,453.86)	HMRC (non VAT)	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(200.00)	Ordinary A Shareholders	NIL	NIL
(200.00)	Ordinary B Shareholders	NIL	NIL
		NIL	NIL
(1,803,853.86)		(267,600.01)	605,464.21
	REPRESENTED BY		
	Bank 1 Current		605,464.21
			605,464.21

Note:

Lloyd Biscoe
Joint Liquidator

Loughborough Triangle Projects Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 05/12/2017 to 04/12/2018



Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

- ☐ Interpretation
- ☐ Company information
- ☐ Details of appointment of liquidators
- ☐ Progress during the period
- ☐ Estimated outcome for creditors
- ☐ Remuneration and disbursements
- ☐ Liquidators' expenses
- ☐ Assets that remain to be realised and work that remains to be done
- ☐ Other relevant information
- ☐ Creditors' rights
- ☐ Conclusion
- ☐ Appendices
 - 1. Liquidators' account of receipts and payments
 - 2. Liquidators' time costs and disbursements
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Loughborough Triangle Projects Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 5 December 2016.
"the liquidators", "we", "our" and "us"	Louise Donna Baxter of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Lloyd Biscoe of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	N/A
Company registered number:	09130127
Company registered office:	The Old Exchange, 234 Southchurch Road, Southend On Sea, Essex, SS1 2EG
Former trading address:	Unknown

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	05 December 2016
Date of liquidators' appointment:	5 December 2016
Changes in liquidator (if any):	None

4. PROGRESS DURING THE PERIOD

This is our second progress report and should be read in conjunction with our previous progress report.

As previously reported, we engaged the assistance of The Contentious Insolvency Division ("CID") of this firm to investigate the affairs of the Company prior to liquidation.

Claim against director

A worldwide freezing injunction order was made against the director James Parritt ("JP") on 25 January 2017 upon the joint application of the liquidators of the Company and three companies associated by way of common directors. This order continues to be in place today. Upon application of the same four companies, a judgment in default of approximately £7m was made against JP on 8 March 2017, pursuant to funds dissipated by the applicant companies under his control.

A final charging order and order for sale were subsequently made against JP's residential property and net sale proceeds of £79,546.14 were ultimately received into the liquidation estate of the Company on 16 April 2018. This sum representing a quarter of the total sale proceeds received, with the remaining funds being split equally among the other three applicants. The liquidators of the Company are not aware of any other assets belonging to JP. At this stage it appears that there is little prospect of any further realisation being made in this respect. As such it is very likely that the judgment made against JP will not be satisfied in full.

Potential recovery of funds from antecedent transaction

As previously reported, the liquidators of the Company have identified the pre-liquidation transfer of certain railway arch premises to a connected company called 469-470-471 Southern Ltd (in liquidation). A settlement was reached between the liquidators of the Company and 469-470-471 Southern Ltd whereby the latter would market and sell the premises at a price ratified by the liquidators of the Company. The liquidators of the Company expect the premises to be marketed and sold within the next reporting period and therefore anticipate receiving the net sale proceeds during this time.

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 05/12/2017 to 04/12/2018.

Receipts

Bank interest in the sum of £398.18 has been received.

The sum of £79,546.14 has been realised in relation to the Company's share of Flat 3.

Payments

Bonding charges in the sum of £463.50 have been paid.

Liquidators fees in the sum of £27,841.14 have been paid, in accordance with creditor approval.

Liquidators expenses in the sum of £752.87 have been paid.

Agents/valuers fees in the sum of £23,667.06 have been incurred. The sum of £18,750 has been paid to Acom in relation to the agreed fee for the property sale. The sum of £4,317.03 has been paid to Currell Commercial for valuation advice, the sum of £375 has also been paid to P&P Commercial and £225 to Eddisons in this respect.

Legal expenses in the sum of £20,131.39 have been paid to Gateley PLC.

Legal fees in the sum of £206,511.67 have been paid to our instructed solicitors at Gateley PLC.

Irrecoverable VAT has been written off in the sum of £56,820.09.

The sum of £14.49 has been paid in relation to stationery and postage.

Director costs have been paid to G Drewery in the sum of £3,500

The sum of £7,842.15 has been paid in relation to costs associated with the realisation of Flat 3. Of this sum, £2,427.12 was paid to our instructed solicitors at Gateley PLC pursuant to an agreement between the four applicants to cover costs equally or if one or more are unable to do so, then any shortfall would be paid proportionally. The cost relates to service charge arrears. In addition a further £4,317.03 was paid to Currell Commercial for costs of sale and £1098 was transfer to Projects London Developments Limited (in liquidation), to cover costs associated with that liquidation, pursuant to above.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.beggies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

General case administration and planning

- Update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- General case updates to include internal meetings on case strategy and effecting instruction;
- Ongoing maintenance of up to date information on the electronic case information;
- Periodic reviews of the case generally;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression checklists;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9;
- Discharge of costs of liquidation;
- Review of correspondence;
- Case updates to office holders.

On this engagement, the work identified above does not hold direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;

Banking

- Maintaining and managing the insolvent estate bank account.
- Maintaining and managing the officer holders' cash book on this assignment.
- Undertaking regular bank reconciliations of the liquidation bank account.
- Complying with risk management procedures;
- Accounting for accruing interest on the cash book;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advises for incoming funds;
- Processing of BACS/electronic payments where applicable.

On this engagement, the work identified above does not hold direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Investigations

Further specific information other than that disclosed in the introduction will not be provided to creditors' at this time to reduce the risk of prejudicing any claims that may be bought. As advised above, CID have and continue to investigate the affairs of the Company prior to its demise and are liaising with our instructed solicitors in relation to further claims and the viability of the same as well as the same of the property identified.

On this assignment, there may be a direct commercial benefit to creditors in relation to the above.

Realisation of assets

- Review of the available information and dealing with sale of Flat 3;
- Discharge of costs of sale

On this assignment, the work detailed above has realised assets for the insolvent estate. The office holders are duty bound to realise and get in the Company's property and maximise asset realisations. In some cases this does not yield sufficient realisations to enable creditors to have a direct financial benefit.

Dealing with all creditors' claims (including employees), correspondence and distributions

Creditors:

- Receipt of creditor claims and input on internal case management software;
- Dealing with creditor correspondence;
- Correspondence with creditors;
- Receipt of, consideration of and response to creditor correspondence.

On this engagement, the work detailed above has not had any direct financial benefit to creditors from the insolvent estate and has been undertaken to comply with the Insolvency Act and Rules together with best practice and enabling creditors to have evidence of their loss for tax and VAT purposes.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel

Tax

- Post appointment tax compliance – submission of corporation tax return.

On this engagement, the work detailed above has not had any direct financial benefit to creditors from the insolvent estate.

5. ESTIMATED OUTCOME FOR CREDITORS

The estimated sums owed to creditors are as follows:

Secured creditor

Family Mosaic Home Ownership Limited and Family Mosaic Housing Services Limited hold a fixed charge over certain land (unrelated to the land described above). The land is presently subject mortgage in possession and the value of the land is presently under dispute.

Should Family Mosaic successfully enforce their charge, the Company should have a subrogated claim for the identical sum in the liquidation of KHERG Construction Limited

Preferential creditors

There are no known preferential claims.

Unsecured creditors

We have received two unsecured creditor claims to date which total £1,934,652. These claims have been agreed.

We consider that there are likely to be sufficient funds for a dividend to be paid to unsecured creditors.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of net property,
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration was fixed by creditors as 35% of the gross value of the assets realised at a meeting held on 16 December 2016.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Begbies Traynor (Central) LLP's charging policy

To 04 December 2018, we have drawn the total sum of £920,091.14 on account of our remuneration pursuant to the resolution outlined above.

We have realised the following assets in relation to which approval has been obtained that 35 percent of the sums realised be taken as remuneration:

Description of asset	Value of assets realised in period of this progress report	Value of assets realised since appointment	% remuneration agreed
Sale proceeds – 9 Hinton Road, 1&3, 11 Wellfit	£0.00	£2,550,000	35% of gross value of assets realised
Share of sale proceeds Flat 3 (JP property)	£79,546.14	£79,546.14	35% of gross value of assets realised

Total fees drawn to date on the above are £920,091.14, leaving fees of £250 outstanding

Disbursements

To 04 December 2018, we have also drawn disbursements in the sum of £752.87.

Why have subcontractors been used?

No subcontractors have been engaged on this assignment.

Category 2 Disbursements

In accordance with the approval obtained from creditors by way of a resolution by correspondence the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since our previous report to creditors in accordance with our firm's policy, a copy of which is at Appendix 2.

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Photocopying	1.80
TOTAL	1.80

Disbursements treated as Category 2 disbursements

Other amounts paid or payable to any party in which the office holder or his firm or any associate has an interest	
Type and purpose	Amount £
Eddisons – agent fees	225.00
TOTAL	225.00

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2015' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.beggies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we our revised estimate of the expenses of the liquidation would be as follows:

Type of expense	Description	Estimate £
Advertisements	Of appointment, meetings, dividends etc.	£500 - £800
Bond	An Insolvency Practitioner is required to have a bond in place to protect the estate from misappropriation of funds	£481.50
Insurance (including ATE)	An Insolvency Practitioner is required to ensure that there is sufficient insurance cover over the assets of the insolvent entity.	£30,000 - £60,000
Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with. Collection, scheduling, storage and retrieval of company's books and records. These are provided by Archive Facilities Limited,	£0 - £3,000

	an associated company to Begbies Traynor which require Category 2 disbursement approval.	
Property agent's valuation fees and disbursements	Valuation fees of any identified properties and anticipated disbursements	£2,500 - £7,500
Property agent's sale fees and disbursements	Agents fees in relation to the disposal of any identified properties and their anticipated disbursements	£57,650 - £100,000
Legal fees and disbursements	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated disbursements	£650,000
Bank charges	An Insolvency Practitioner is required to operate a separate bank account in relation to the insolvent entity's estate	£50.00
Investigation expenses	Any sums paid to any third party that assists the Insolvency Practitioner with investigating the affairs of the insolvent entity	£1,500.00 - £3,000
Travel	Travel to meetings etc	£100 - £500
Photocopying	For meetings of creditors, copy reports to creditors, general file copies of postal/electronic communications	£200.00
Postage	Self-explanatory, at cost	£100.00
Insurance	Eddisons Insurance Services Limited may be requested to provide insurance on any chattel assets or property which the Company may have. Eddisons Insurance Services Limited are an associated company to Begbies Traynor which require Category 2 disbursement approval.	Dependant on value of property but estimate purposes only £300 to £10,000
Agent costs	Eddisons Commercial Limited may be requested to provide opinion on value, second opinion on value and/or instructed on asset disposals on any chattel assets or property which the Company may have. Eddisons Commercial Limited are an associated company to Begbies Traynor which require Category 2 disbursement approval. It is not possible to accurately estimate costs as these will be based on the type of asset to be disposed of and the difficulty in doing so.	Disposal: Freehold/Leasehold property between 2 - 5% of value of assets sold. Chattel assets: Estimate 10% to 25% value of assets sold. Valuation: Fixed fee to be agreed. Other: Hourly rates per attached.
Debt collection	Engagement of quantity surveyors, debt collectors and/or specialist construction industry solicitors to review and recover construction industry debts.	Dependant on level of work required, but estimate 10% to 30% of recoveries

That estimate has not been exceeded and we do not expect it to be exceeded if matters progress to conclusion as envisaged.

The hourly charge out rates of Gateley Plc are as follows and their current outstanding costs for dealing with this assignment are currently being assessed. Payment of these costs is subject to available funds in the estate.

Grade	Hourly rate
Partner	£275 - £400
Legal Director	£275 - £350
Senior Associate	£260 - £350
Associate	£240 - £300
Assistant Solicitor	£160 - £275
Trainee	£150 - £175
Paralegal	£100 - £240

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

As advised above, CID continue to investigate the affairs and assets of the Company.

The liquidators of the Company have identified the pre-liquidation transfer of certain railway arch premises to a connected company called 469-470-471 Southern Ltd (in liquidation). A settlement was reached between the liquidators of the Company and 469-470-471 Southern Ltd whereby the latter would market and sell the premises at a price ratified by the liquidators of the Company. The liquidators of the Company expect the premises to be marketed and sold within the next reporting period and therefore anticipate receiving the net sale proceeds during this time.

General case administration and planning

- The preparation, drafting and issue of this and further reports to creditors and members to include all necessary information;
- Updating case strategy plan;
- update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- General case updates to include internal meetings on case strategy and effecting instruction;
- Ongoing maintenance of up to date information on the electronic case information;
- Periodic reviews of the case generally;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression checklists;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9.

On this engagement, the work identified above does hold a direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;

- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;
- Maintain accurate account of receipts and payments;
- Issuing annual progress reports for submission at Companies House and copies sent to all known creditors.

Banking

- Maintaining and managing the insolvent estate bank account.
- Maintaining and managing the officer holders' cash book on this assignment.
- Undertaking regular bank reconciliations of the estate bank account.
- Complying with risk management procedures;
- Accounting for accruing interest on the cash book;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advises for incoming funds;
- Processing of BACS/electronic payments where applicable.

Closure

- Preparing, reviewing and issuing final report to members and creditors;
- Filing of final return at Companies House;
- Update physical and electronic case records following closure.

On this engagement, the work identified above does not hold direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Investigations

- Ongoing CID investigations and progression of claims where appropriate.

There will be a direct commercial benefit to creditors in relation to the above matters if any further rights of action became visible during the course of the investigations and are pursued leading to recovery/contributions to estate assets.

Realisation of assets

- Continuing review of current and new information and formulating an asset realisation strategy;
- Accounting for bank interest;
- Dealing with sale of railway arches.

On this assignment, the ongoing work detailed above may realise assets for the insolvent estate from which one or more class of creditors will directly benefit. The office holders are duty bound to realise and get in the Company's property and maximise asset realisations.

Dealing with all creditors' claims (including employees), correspondence and distributions

Creditors:

- The issue of this report and associated required documents;
- Updating schedules of creditor claims;
- Receipt of creditor claims and input on internal case management software;
- Review of creditor claim supporting information;
- Taking and dealing with phone calls from creditors;

- Acknowledgment of creditor claims correspondence and/or dealing with further queries on claims;
- Receipt of, consideration of and response to creditor correspondence;
- Where necessary, consideration of issues to reject claims and issue of appropriate letter to creditor(s) affected in accordance with statutory requirements concerning rejection of all or part claims;
- Review of and adjudication on held and un-agreed claims preceding dividend;
- Calculation and subsequent payment of dividend to one or more classes of creditors.

On this engagement, the work detailed above will have a direct financial benefit to creditors if further recoveries are made. Claim agreement will be undertaken in accordance with the Insolvency Act and Rules together with best practice to ensure that all creditor claims are correctly lodged and fairly adjudicated on.

Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel

- The Completion of Corporation Tax returns;
- Attending meetings that may arise along with travel to and from those meetings;
- Filing of final Corporation Tax return;
- Seeking closure clearance from HMRC.

Some of the above have no direct financial benefit to creditors but have to be done in order to comply with the Insolvency Rules such as creditors and members meetings, as well as a legal requirement, such as completion of corporation tax returns. Others do have a direct financial benefit to creditors.

How much will this further work cost?

As remuneration has been approved on a 35% basis based on realisations, as outlined above, a time costs estimate for further work has not been prepared for this report.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the revised estimate of anticipated expenses sent to creditors in our first annual progress report which included all of the expenses that we anticipate that we will incur throughout the liquidation. This is repeated above at 7.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information

about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

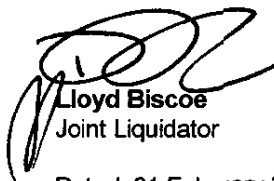
Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



Lloyd Biscoe
Joint Liquidator

Dated: 01 February 2019



Begbies Traynor

APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 05/12/2017 to 04/12/2018



Member of
RTG Global Advisory

Loughborough Triangle Projects Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 05/12/2017 To 04/12/2018 £	From 05/12/2016 To 04/12/2018 £
	SECURED ASSETS		
Uncertain	Freehold Land & Property	NIL	NIL
		NIL	NIL
	COURT AWARDED COSTS		
	Recv'd adverse costs	NIL	235,000.00
	Legal disbursements and expenses	NIL	(63,896.87)
	Gateley legal fees	NIL	(132,481.26)
		NIL	38,621.87
	ASSET REALISATIONS		
	Proprietary Claim	NIL	2,550,000.00
	Bank Interest Gross	398.18	398.18
	Share of Flat 3 realisation	79,546.14	79,546.14
		79,944.32	2,629,944.32
	COST OF REALISATIONS		
	Specific Bond	463.50	481.50
	Statement of Affairs Fee	NIL	15,000.00
	Liquidators' Fees	27,841.14	920,091.14
	Liquidators' Expenses	752.87	1,017.07
	Adverse costs indemnity cover	NIL	30,000.00
	Agents - site security costs	NIL	35,621.75
	Agents/Valuers Fees - property	23,667.03	81,317.03
	Valuer fee - Martin DeVarga	NIL	2,500.00
	Legal disbursements & expenses	20,131.39	80,843.62
	Legal Fees	206,511.67	466,408.41
	Irrecoverable VAT	56,820.09	361,420.42
	Stationery & Postage	14.49	14.49
	Director fees and costs	3,500.00	59,518.00
	Statutory Advertising	NIL	476.40
	Insurance of Assets	NIL	550.00
	Flat 3 costs of realisations	7,842.15	7,842.15
		(347,544.33)	(2,063,101.98)
	UNSECURED CREDITORS		
(1,803,453.86)	HMRC (non VAT)	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(200.00)	Ordinary A Shareholders	NIL	NIL
(200.00)	Ordinary B Shareholders	NIL	NIL
		NIL	NIL
(1,803,853.86)		(267,600.01)	605,464.21
	REPRESENTED BY		
	Bank 1 Current		605,464.21
			605,464.21

Note:

Lloyd Biscoe
Joint Liquidator



TIME COSTS AND DISBURSEMENTS

- a. Beggies Traynor (Central) LLP's charging policy

BEGGIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ☐ **Category 1 disbursements (approval not required)** - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ☐ **Category 2 disbursements (approval required)** - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

The following items of expenditure are charged to the case (subject to approval):

Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting.
Car mileage is charged at the rate of 45 pence per mile.
Storage of books and records (when not chargeable as a *Category 1 disbursement*).

In addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements. The following items of expenditure which relate to services provided by entities within the Beggies Traynor Group are to be charged to the case (subject to approval):

Services provided by other entities within the Beggies Traynor group

The following items of expenditure which relate to services provided by entities within the Beggies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of Beggies Traynor (Investigations) Limited to provide assistance with the review of asset positions of various potential targets of actions in the liquidation. Their charges will be based on a fixed fee of £3,000 plus VAT.

Instruction of Eddisons Commercial Limited to provide assistance with the sale of assets. Their charges will be based on a percentage of realisations plus disbursements.

Instruction of Eddisons Commercial Limited to provide a valuation of the Company's physical assets. Their charges will be based on a fixed fee to be agreed plus disbursements.

In addition to the services detailed above, it may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

Grade of staff	Charge-out rate (£ per hour)
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80

Porters

£35

Instruction of Eddisons Insurance Services Limited to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Eddisons Insurance Services Limited is not paid from the assets of the estate for the services it provides. In accordance with standard insurance industry practice, Eddisons Insurance Services Limited will receive payment of commission for the services it provides directly from the open cover insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

Services provided by an entity in which an Office Holder has an interest

The following items of expenditure which relate to services provided by an entity that a licensed insolvency practitioner within the firm has an interest in, are also to be charged to the case (subject to approval):

Storage of books and records (when not rechargeable as a *Category 1 expense*) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are: Minimum charge of £40 per quarter for up to three boxes, Four to Two Hundred Boxes charged at £11 per quarter per box; over two hundred boxes are charged at half the aforementioned price, (£5.50 per box per quarter). Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited are required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required, and at £15 per hour for each hour thereafter. All figures stated are net.

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

Telephone and facsimile, Printing and photocopying, Stationery

BEGGIES TRAYNOR CHARGE-OUT RATES

Beggies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Southend-on-Sea as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)	Charge-out rate (£ per hour)
	1 May 2011 – 30-Apr-16	1 May 2016 – until further notice
Partner	495	495-550
Director	395	395
Senior Manager	365	365
Manager	315	315
Assistant Manager	270	285
Senior Administrator	235	250
Administrator	185	220
Trainee Administrator	160	n/a
Junior Administrator	n/a	160
Support	160	n/a
cashier	n/a	160
secretarial	n/a	160

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

The office holder may use the services of BTG Contentious Insolvency Division during the course of the case. BTG Contentious Insolvency Division is a specialist department of the office holder's firm which provides forensic investigating services. The current charge-out rates applying to work carried out by BTG Contentious Insolvency Division are as follows:

Grade of staff	Charge-out rate (£ per hour)	Charge-out rate (£ per hour)
	1 May 2011 – 30-Apr-16	1 May 2016 – until further notice
Director	395	395
Senior Manager	365	365
Assistant Manager	270	285

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Postage	Royal Mail	11.67	5.85	5.82
Legal Fees	Gateley PLC	206,511.67	206,511.67	0.00
Legal expenses	Gateley PLC	20,131.39	20,131.39	0.00
Agents fees	Acorn	18,750	18,750	0.00
Agent / Valuers Fees	Currell Commercial	4,317.03	4,317.03	0.00
Agent / Valuers Fees	P&P Commercial	375.00	375.00	0.00
Service charge arrears	Gateley PLC	2,427.12	2,427.17	0.00
Director costs	G Drewery	3,500	3,500	0.00
Land Registry fees	HM Land Registry	39.00	30.00	9.00
Travel costs	Black taxi	27.50	27.50	0.00
Subsistence costs	Pret a Manger	33.97	0.00	33.97
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Char Policy)				
Photocopying	Begbies Traynor	1.80	1.80	0.00
Agents / Valuers Fees	Eddisons	225.00	225.00	0.00

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Advertising	The Stationery Office	476.40	476.40	0.00
Travel	Redfern Travel Ltd	569.20	546.00	0.00
Bond	Insolvency Risk Services	481.50	481.50	0.00
Postage	Royal Mail	20.31	0.00	5.82
Travel	Taxi/rail fare	31.50	0.00	31.50
Land Registry fees	Land Registry	222.00	213.00	9.00
Subsistence	Pret	5.25	0.00	5.25
Indemnity cover for adverse costs	Cavendish IP Solutions	30,000	30,000	0.00
Site security	ITC	35,621.75	35,621.75	0.00
Estate agents % fee	Acorn	51,000.00	51,000.00	0.00
Estate agents fees	Acorn	18,750	18,750	0.00
Agents fees	Copping Joyce	3,000	3,000	0.00

Agents fees	Currell Commercial	4,317.03	4,317.03	0.00
Agents fees	P&P Commercial	375.00	375.00	0.00
Agents fees	Martin DeVarga	2,500	2,500	0.00
Legal fees	Gateley	466,408.41	466,408.41	0.00
Legal expenses	Gateley	80,843.62	80,843.62	0.00
Service charge arrears	Gateley	2,427.12	2,427.17	0.00
Legal fees costs awarded	Gateley	235,000.00	235,000.00	0.00
Director costs	G Drewery K Tointon Limited MHS Sprecher Grier	59,518	59,518	0.00
Travel costs	Black taxi	27.50	27.50	0.00
Subsistence costs	Pret a Manger	33.97	0.00	33.97
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				
Photocopying	Begbies Traynor	34.20	34.20	0.00
Insurance	Eddisons	550.00	550.00	0.00
Agents fees	Eddisons	3,650.00	3,650.00	0.00
Agents / valuers fees	Eddisons	225.00	225.00	0.00