

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Glenrose Developments (Hebburn) Limited	Company number 03731113
In the High Court of Justice Chancery Division Companies Court <small>(full name of court)</small>	Court case number 8233 of 2013

(a) Insert full name(s) and address(es) of administrator(s)

We (a) Simon Blakey and Martin Daley of Robson Laidler LLP, Fernwood House, Fernwood Road, Jesmond, Newcastle upon Tyne, NE2 1TJ

attach a copy of our proposals in respect of the administration of the above company

* Delete as applicable

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 9 January 2014

Signed 
Joint Administrator

Dated 9 January 2014

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Simon Blakey	
Robson Laidler LLP	
	Tel 0191 2818191
DX Number	DX Exchange

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COMPANIES HOUSE

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Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

**GLENROSE DEVELOPMENTS (HEBBURN) LIMITED
(IN ADMINISTRATION)**

**HIGH COURT OF JUSTICE, CHANCERY DIVISION
COMPANIES COURT NO: 8233 OF 2013**

**JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS FOR ACHIEVING
THE PURPOSE OF ADMINISTRATION**

9 JANUARY 2014

**SIMON BLAKEY AND MARTIN DALEY (IP NO'S 12990 AND 9563), JOINT
ADMINISTRATORS, OF ROBSON LAIDLER LLP, FERNWOOD HOUSE,
FERNWOOD ROAD, JESMOND, NEWCASTLE UPON TYNE, NE2 1TJ**

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ABBREVIATIONS

The following abbreviations are used throughout these proposals.

'the Company'	Glenrose Developments (Hebburn) Limited
'the Administrators'	Simon Blakey and Martin Daley
'Sch. B1 IA 86'	Schedule B1 of the Insolvency Act 1986
'IA 86'	Insolvency Act 1986
'IR 86'	Insolvency Rules 1986
'the Bank'	Dunbar Assets plc (formerly known as Dunbar Bank plc)

1. The Administrators' statement of proposals

Introduction

I wrote to all creditors on or after 25 November 2013 to explain that Martin Daley and I had been appointed as joint administrators of the Company on 22 November 2013. The appointment was made by the Bank as a holder of a qualifying floating charge dated 2 December 2002 under Paragraph 14 of Sch B1 IA 86.

The affairs, business and property of the Company are being managed by the joint administrators. The joint administrators will act until such time as the proposals for achieving the purpose of administration have been agreed by creditors and fully implemented, following which the administration will be ended.

In accordance with Paragraph 3 of Sch B1 IA 86 the joint administrators must perform their functions in the interests of the company's creditors as a whole. The purpose of the administration is to achieve one of the following objectives:

- (a) Rescuing the Company as a going concern, or
- (b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or
- (c) Realising property in order to make a distribution to one or more secured or preferential creditors

For the reasons detailed in this document, objective (b) is being pursued as it is not reasonably practical to rescue the Company as a going concern.

This document forms the administrators' statement setting out the proposals for achieving the purpose of administration as required by Paragraph 49 of Sch B1 IA86.

As detailed below the joint administrators have formed the view that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part as provided for by Section 176A IA 86 (which will not apply). Accordingly by virtue of Paragraph 52(1) Sch B1 IA 86, a meeting of creditors is not being convened at this time. In accordance with Rule 2.33(5) of IR 86 the proposals will be deemed to have been approved by creditors unless a meeting of creditors is requisitioned in the prescribed manner by at least 10% in value of creditors within 8 business days of the date on which these proposals are circulated. The joint administrators will write to all creditors after the expiry of this period to confirm the deemed approval of the proposals, or alternatively to confirm that a meeting is to be held.

Statutory information

Court details	High Court of Justice, Chancery Division Companies Court No 8233 of 2013	
Company name:	Glenrose Developments (Hebburn) Limited	
Trading name	Glenrose Developments (Hebburn) Limited	
Registered number	03731113	
Registered office:	c/o Robson Laidler LLP, Fernwood House, Fernwood Road, Jesmond, Newcastle upon Tyne, NE2 1TJ	
Former registered office.	Churchill House, 12 Mosley Street, Newcastle upon Tyne, NE1 1DE	
Company directors:	Christopher John Watson	
Company secretary.	n/a	
Share capital.	2 Ordinary shares of £1.00 each	
Shareholders:	Christopher John Watson	2 Ordinary shares
Date of Appointment	22 November 2013	
Administrators	Simon Blakey and Martin Daley (IP No's 12990 and 9563) of Robson Laidler LLP, Fernwood House, Fernwood Road, Jesmond, Newcastle upon Tyne, NE2 1TJ. The joint administrators are authorised to act as Insolvency Practitioners by the Insolvency Practitioners Association. The joint administrators act as agents of the Company and without personal liability	
Appointor	Dunbar Assets plc (formerly Dunbar Bank plc) of 33 Jermyn Street, London, SW1Y 6AD	
Objective:	(b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration)	
Responsibilities	Any act required or authorised under any enactment to be done by the administrator may be done by either or both the Administrators acting jointly or alone	
Proposed exit strategy.	Dissolution	

Estimated dividend to
Unsecured creditors

Nil

Estimated value of
Prescribed Part.

Not applicable

EC Regulations:

The European Regulations on Insolvency Proceedings apply to this administration and the proceedings are main proceedings.

Background

The Company was established in 1999 and operated as a property developer. The business has grown organically over the years operating predominately in the South Tyneside, Sunderland and Gateshead areas of the North East of England. The Company was well known in the local market place as being one of the largest independent property developers, to which the iconic Echo24 development of the south side of the River Wear stands testament.

Following the downturn in the property market in 2008 the Company ceased development activities and has since concentrated on managing an orderly realisation of its property portfolio, whilst offering its residential stock to the rental market.

The Company's head office was most latterly located at St Bedes Chambers, Albert Road, Jarrow, NE32 5RR. At the date of appointment, the Company had no employees.

On 25 September 2013 a winding up petition was presented against the Company by McInerney Homes Limited (In Administration) in the sum of £118,665 82. The petition was due to be heard on 25 November 2013. The Company was unable to settle this debt and after liaising with the Bank, a decision was taken by the Bank to appoint Simon Blakey and Martin Daley of Robson Laidler LLP as joint administrators on 22 November 2013 under Paragraph 14 of Sch. B1 IA 86.

Pre-administration costs

Prior to their appointment the Administrators incurred time on the following matters:

- Planning work in respect of the Administration appointment, and
- Discussions with the Bank, the Company director, and lawyers regarding the appointment.

No costs have been paid to the Administrators' firm prior to the appointment in relation to the administration, nor has any agreement been made with any party for these costs to be paid.

Payment of unpaid pre-administration costs as an expense of the administration is subject to approval in the same manner as the Administrators' remuneration and certain disbursements. In this case, as the Administrators have stated that they think the Company has insufficient property to enable a distribution to be made to unsecured creditors, it will be for the secured creditor and, if appropriate, preferential creditors to determine these.

In this instance the pre-administration costs are minimal and it is not my intention to seek to recoup these costs.

The manner in which the Company's affairs and business have been managed and financed

Since their appointment the Administrators have identified and secured the Company's assets, namely freehold and leasehold property, ensured it is adequately insured and with the assistance of the Company director have sought to bring the Company's book and records up to date. As mentioned above the Company has no employees.

Prior to the Administrators' appointment the Company had instructed Michael Hodgson Chartered Surveyors & Estate Agents and Colin Lilley Estate Agents to market for sale the Company's property portfolio. In addition Hackett Property had been instructed to provide letting and management services with regards the tenanted properties. Following discussion with the Bank it was agreed that these agents should remain instructed, given their familiarity with the Company and its property portfolio.

It is envisaged that the administration will be financed by means of rental income and realisations from property disposals.

A receipts and payments account is attached. This indicates that the sum of £15,132.49 is presently held by the Administrators.

Property portfolio

The company holds a number of property interests which can be summarised as follows. These properties are secured by the Bank by way of a fixed charge:

This asking price in respect of each property is reviewed periodically and is adjusted, as appropriate, to reflect the prevailing market conditions.

1. 239 Victoria Road West, Hebburn

The property is presently being marketed for sale by Colin Lilley Estate Agents for the sum of £165,000. It is envisaged that the marketing of this property will shortly be transferred to Michael Hodgson Chartered Surveyors & Estate Agents.

2. 5 and 14 Rydale Park, plus 8 development plots, Angram Drive, Sunderland

This development consisted of nineteen four and five bedroom homes. The remaining properties are being marketed for sale by Michael Hodgson Chartered Surveyors & Estate Agents for the sums of £299,000, £295,000 and £800,000 respectively.

No 14 is currently tenanted at an annual rent of £12,000.

3. 4, 5 and 6 The Close, Church Lane, Whitburn

This development consisted of eight luxury apartment set in two acres of grounds. The remaining properties are being marketed for sale by Michael Hodgson Chartered Surveyors & Estate Agents. Numbers 4 and 6 have been sold subject to contract and Number 5 is being marketed for the sum of £145,000

4. Echo24, Sunderland

As mentioned the Company developed the iconic Echo24 building on the south side of the River Wear. All residential units were sold a number of years ago, however the company does retain an interest in the three ground floor commercial units. Units 1 and 2 are currently leased to tenants, at an annual combined rent of £112,584 per year. The lease to the final unit, 1a, is being marketed by Michael Hodgson Chartered Surveyors & Estate Agents at a commencing annual rent of £20,000.

It has been agreed with the Bank that this development should be held until such time as the market improves before offering the units for sale.

5. Rokerlea, Gladstone Street, Sunderland

This development consists of 35 apartments, which are substantially rented to the student market, attracting an annual rent of around £7,500 per unit. Again it has been agreed with the Bank that this development should be held until such time as the market improves before offering the apartments for sale.

Floating Charge Realisations

These relate mainly to rental income less associated costs. It is envisaged that rent will continue to be collected until such time as market condition improve, leading to a sale of the properties concerned.

There are no other known floating charge assets.

Dividend prospects

Secured creditors

The Bank hold fixed and floating charges over the Company's assets secured by debentures dated 2 December 2002, 4 March 2003, 22 October 2003, 4 February 2005, 4 April 2008, 26 June 2008 and 27 June 2008.

Upon appointment of the Administrators the Bank was owed the sum of approximately £11,740,000.

On the basis of present information and considering the difficult property market conditions it is currently anticipated the Bank is unlikely to recover its debt in full from the Company's assets. The level of shortfall will be wholly dependent upon the sale prices achieved from the property sales discussed above.

Preferential creditors

Preferential claims represent amounts due to employees for any arrears of wages and unpaid holiday pay, subject to statutory limits

The company had no employees and consequently no preferential claims are envisaged

Unsecured creditors

The directors estimated statement of affairs quantifies these claim at £756,970. Included within this is the sum of £423,631 where creditors, who provided gap funding, hold second charges over specific properties. However, in the current climate these charges appear to be of little or no value and consequently the claims have been characterised for presentational purposes as unsecured

On the basis of present information and considering the difficult property market conditions, it is considered unlikely that there will be sufficient realisations to facilitate a dividend to the non-preferential unsecured creditors of the Company.

Prescribed Part

The Prescribed Part (Section 176A IA86) applied where there are floating charge realisations, net of costs, to be set aside for the benefit of the unsecured creditors.

As the floating charge security held by the Bank is dated prior to the Prescribed Part coming into force (on 15 September 2003), the Prescribed Part will not apply in this case

Ending the Administration

The Administrators currently envisage that once the objective of the Administration has been achieved, the Administration may end in one of the manners set out below depending on the circumstances at that time

Pursuant to Paragraph 76 Sch. B1 IA86, the Administrators' appointment comes to an automatic end after one year unless the Court agrees to extend it for a specific period. Alternatively, the relevant classes of the Company's creditors can consent to a six month extension

The Administrators currently anticipate that an extension greater than six months may be required to allow the properties to be sold in an orderly manner. Accordingly it is envisaged that an application to Court will be made in due course

Proposals for achieving the purpose of the Administration

The Administrators make the following proposals for achieving the purpose of the administration

- i) The Administrators will continue to manage and finance the Company's business, affairs and property from asset realisations in such manner as they consider expedient with a view to realising property in order to make a distribution to one or more secured or preferential creditors

- ii) The Administrators may investigate and, if appropriate, pursue any claims that the Company may have under the Companies Act 2006, IA86 or otherwise. In addition the Administrators shall do all such things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the administration or to protect and preserve any assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals.
- iii) In the event that the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion establish in principle the claims of the unsecured creditors for adjudication by any subsequently appointed liquidator or the Administrators and that the costs of doing so be met as a cost of the Administration as part of the Administrators' remuneration.
- iv) If the Administrators' think that funds will become available for the unsecured creditors, the Administrators may at their discretion make an application to Court for permission to make a distribution to unsecured creditors under Paragraph 65 Sch. B1 IA 86.
- v) If the Administrators believe that it is considered advantageous to extend the Administration beyond the statutory period of one year, the Administrators shall either apply to Court or seek the consent of the appropriate classes of creditors for an extension.
- vi) As it is currently expected that there will be insufficient funds to enable a distribution to the non-preferential unsecured creditors of the Company, the Administrators do not propose to form a creditors committee.
- vii) The Administrators may use any or a combination of 'exit route' strategies as prescribed by Sch B1 IA 86 or the IA 86 in order to bring the Administration to an end. In this particular instance the Administrators are likely to pursue the following options as being the most cost effective and practical strategies in the current circumstances:
 - a. If, as expected, there are insufficient funds with which to make a distribution to non-preferential unsecured creditors, once all assets of the Company have been realised and the administrators have concluded all work within the Administration, the Administrators will file a notice of move from administration to dissolution under Paragraph 84(1) Sch B1 IA 86 with the Registrar of Companies, following registration the Company will usually be dissolved three months later, or
 - b. If it transpires that there are sufficient funds with which to make a distribution to the non-preferential unsecured creditors, once asset disposals are complete the Administrators will apply to Court to allow the Administrators to distribute the surplus funds. If such permission is granted, and once the administrators have concluded all work within the Administration, the Administrators will file a notice of move from administration to dissolution under Paragraph 84(1) Sch B1 IA 86 with the Registrar of Companies, following registration the Company will usually be dissolved three months later. If permission is not granted the Administrators

will place the Company into creditors' voluntary liquidation or otherwise act in accordance with any order of the Court, or

- c If, as expected, the Administrators' requires an extension to the automatic end of the administration as realisations are incomplete, the Administrator may apply to Court for an order to extend his term of office to a specified date, or alternatively he may seek the consent of the relevant classes of creditor. If an extension is not granted by either the Court or the creditors, the Administrators will place the Company into creditors' voluntary liquidation or otherwise act in accordance with any order of the Court, and
 - d If the Administrators places the Company into creditors' voluntary liquidation, it is proposed that Simon Blakey and Martin Daley of Robson Laidler LLP be appointed as joint liquidators of the Company and any required or authorised to be done by the joint liquidators may be done by either or both of them. In accordance with Paragraph 83(7) Sch. B1 IA 86 and Rule 2.117A(2)(b) IR 86, creditors may nominate alternative liquidators, provided that the nomination is made before the proposals are approved
- viii) The Administrators may, at any time, apply to the Court for directions in connection with his functions.
 - ix) The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch. B1 IA 86 in respect of any action of theirs as Administrators at a time resolved by the secured creditor or at a time determined by the Court
 - x) In the circumstances of this case it will be for the secured creditor to approve the payment of any unpaid pre-administration costs as an expense of the administration.
 - xi) It is proposed that the Administrators' remuneration be fixed under Rule 2.106 IR 86 by reference to the time properly spent by the joint administrator and their staff in the administration and that the joint administrators be authorised to draw their remuneration on account from time to time without further reference to creditors; and that the joint administrators be reimbursed for any expenses or necessary disbursements properly incurred in carrying out their duties including, where appropriate, category 2 expenses, which are to be paid as an expense of the administration. As the Administrators have stated that they think the Company has insufficient property to enable a distribution to be made to the non-preferential unsecured creditors of the Company, it will, in the circumstances of this case, be for the secured creditor to approve the payment
 - xii) The Administrators propose that the books, accounts and documents of the Company be destroyed one year after dissolution, and that the books, accounts and documents of the joint administrators be disposed of as the joint administrators see fit subject to any legal requirements governing the period of retention

Statement of Affairs

A statement of affairs of the Company as at 22 November 2013 was delivered to the Administrators on 13 December 2013. The statement of affairs was verified by a statement of truth made by the sole director, Mr Christopher Watson.

The Administrators make the following comments on the statement of affairs:

- In accordance with the standard format of the statement of affairs, no provision has been made for the costs of the Administration.
- The Administrators have not carried out anything in the nature of an audit on the information.
- The amounts shown in the list of creditors as being due to creditors is based upon the books and records of the Company. Inclusion does not constitute admission that there is now, or has been in the past, any legal liability upon the Company to make payment of the whole or any part of the amount stated. If the amounts stated differ from creditors own records, then please do not be concerned. The process of agreeing claims will only be undertaken in the unlikely event that it becomes apparent that a dividend will become payable to creditors. Only at that stage will the joint administrators consider any documentary evidence provided by creditors.
- The statement of affairs omits the sum of £2 as being due to shareholders. This is not considered a material omission.
- Mr Watson has stated that those assets subject to a fixed charge will realise £5,940,000. Based upon advice received from the Company's agents this appears reasonable in view of current market conditions.

The statement of affairs is attached and, as required by statute, includes details of the names, addresses and claims of creditors, including details of any security held.

No application to Court for limited disclosure was considered necessary. The Administrators do not think that disclosure would prejudice the conduct of the administration or lead to violence against any person.

Conclusion

This concludes my statement of proposals for achieving the purpose of administration. As previously stated by virtue of Paragraph 52(1) Sch. B1 IA 86, a meeting of creditors is not being convened at this time. In accordance with Rule 2.33(5) of IR 86 the proposals will be deemed to have been approved by creditors unless a meeting of creditors is requisitioned in the prescribed manner by at least 10% in value of creditors within 8 business days of the date on which these proposals are circulated. The joint administrators will write to all creditors after the expiry of this period to confirm the deemed approval of the proposals, or alternatively to confirm that a meeting is to be held.

Should you have any questions or require any matter clarified regarding either the background to this case or what is being proposed then please contact me either at Robson Laidler LLP, Fernwood House, Fernwood Road, Jesmond, Newcastle upon Tyne, NE2 1TJ, or by telephone, 0191 2818191 or by email at sblakey@robson-laidler.co.uk

Yours sincerely
For and on behalf of
Glenrose Developments (Hebburn) Limited



Simon Blakey
Joint Administrator

Simon Blakey and Martin Daley (IP No's 12990 and 9563) were appointed as Joint Administrators of Glenrose Developments (Hebburn) Limited on 22 November 2013. The affairs, business and property of the company are being managed by the Joint Administrators. The Joint Administrators act as agents of the company without personal liability.

Appendix A - Receipts and payments account

Receipts and Payments Accounts

For the period 22 November 2013 to 9 January 2014

Statement of Affairs			£
£			£
	Receipts		
5,940,000	Freehold/leasehold property		
	Rental income		20,985 00
<u>5,940,000</u>			<u>20,985 00</u>
	Payments		
-	Agents fees and disbursement		3,987 86
-	Property maintenance costs		1,431 79
-	Input VAT		432 86
11,739,618	Secured creditors		
756,970	Unsecured creditors		
-	Share capital		
<u>12,496,588</u>			<u>5,852 51</u>
<u>(6,556,588)</u>			<u>15,132 49</u>
	Represented by		
	Cash at Bank		<u>15,132 49</u>

Appendix B – Administrators time costs to 9 January 2014

Classification of Work function	Hours					Time Cost £	Average hourly rate £
	Partner	Manager	Administrator	Support Staff	Total Hours		
Administration, Planning, Statutory	20 5				20 5	4,100 00	200 00
Cashiering					0 0	0 00	0 00
Investigations					0 0	0 00	0 00
Realisation of Assets	8 3				8 3	1,660 00	200 00
Tax					0 0	0 00	0 00
Creditors	1 2				1 2	240 00	200 00
Total Hours	30 0	0 0	0 0	0 0	30 0		200 00
Total time charged	6,000 00	0 00	0 00	0 00		6,000 00	

ROBSON LAIDLER LLP – STATEMENT ON REMUNERATION AND EXPENSES IN INSOLVENCY PROCEEDINGS

INTRODUCTION

The insolvency legislation was changed in April 2010 for insolvency appointments commenced on or after 6 April 2010 in order to allow more flexibility on how an office holder's fees are charged to a case. This fact sheet explains how we may apply the alternative fee bases. The new legislation allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment are subject to approval, generally by a committee if one is appointed, the creditors in general meeting, or the court.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also each creditor. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the new legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

POLICY

In order to maximise the cost effectiveness of the work performed it is Robson Laidler LLP's normal policy to delegate certain tasks within the case to members of staff subject to their qualifications, experience and specialist skills with the provision of supervision as deemed appropriate. Matters deemed to be complex or significant will be dealt with by senior members of staff or the office holder.

Time cost basis

This is the basis that is used in the majority of cases whereby charge out rates are applied. These rates are appropriate to the skills, qualifications and experience of the relevant staff member and the work they perform. This is combined with the amount of time that they work on each case, recorded in six minute units with supporting narrative to explain the work being undertaken. All staff who work on an assignment, including support staff, charge time directly to that assignment and are included within any analysis of time. The costs of any central administration or general overheads are not charged directly to the assignment but are reflected in the level of charge out rates.

The charge out rates vary between individuals of each grade based on their skills, qualifications and experience. The maximum charge out rates typically utilised per grade of staff are currently

Staff Grade	Rate per hour (£) effective from 1 April 2009
Partner	300 00
Partner 2	220 00
Senior Manager 1	205 00
Senior Manager 2	200 00
Manager	170 00
Administrator/Cashier	160 00
Clerical Support	20 to 70 00

Charge out rates may be revised periodically, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs and changes to other indirect costs.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and is generally recorded under the following categories: Administration, Planning and Statutory, Cashiering, Investigations, Realisation of Assets, Tax, Creditors, and Other case specific matter.

Percentage basis

The new legislation allows fees to be charged as a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. If this basis is considered appropriate we will provide further information explaining why, and ask the committee if one is appointed, the creditors in general meeting, or the court, to approve this basis.

Fixed fee basis

Again the new legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. If this basis is considered appropriate we will provide further information explaining why, and ask the committee if one is appointed, the creditors in general meeting, or the court, to approve this basis.

TASKS TYPICAL UNDERTAKEN

Matters typically dealt with during an appointment may include, but are not limited to, the following

ROBSON LAIDLER LLP – STATEMENT ON REMUNERATION AND EXPENSES IN INSOLVENCY PROCEEDINGS

Administration, Planning and Statutory

This will include case planning and strategy, appointment notification, file set up and on-going maintenance, obtaining specific bond and on-going maintenance, uplift and maintenance of company books and records, case filing, periodic case reviews, statutory compliance and returns, general administrative matters and general correspondence excluding specific correspondence relating to any other categories

Cashiering

This will include general cashiering activities including banking, maintenance of cash book, recording of receipts and payments, bank reconciliations and related filing and correspondence

Investigations

To include such matters as reviewing directors questionnaires, considering the directors conduct, reviewing creditor concerns and reporting to the Secretary of State in accordance with the Company Directors Disqualification Act 1986

Additional investigation may also be undertaken to identify any assets or antecedent transactions to include preference, transaction at undervalue, misfeasance and wrongful trading etc

Realisation of Assets

The realisation of assets will include, but is not limited to the following intangible assets, freehold and leasehold property, fixtures and fittings, plant and machinery, furniture, equipment, motor vehicles, debtors, stock, work in progress, cash at bank and in hand

The work undertaken will be concerned with the preservation and realisation of such assets to include site visits, compliance with relevant regulations, insurance matters, retention of title, general correspondence, debtor correspondence, instructing solicitors, arranging collections, liaising with agents, negotiating offers, reviewing sales contracts etc

Tax

This will include the processing of any and all returns to HM Revenue & Customs in respect of, but not limited to, VAT, PAYE, NIC and Corporation Tax, and all associated correspondence

Creditors

This will include dealing with the claims of all creditors and associated correspondence

Secured confirming the validity of the security, reporting, general correspondence, and making distributions

Preferential identifying preferential creditors, notifying, agreeing claims, general correspondence, and making distributions

Unsecured identifying unsecured creditors, notifying, agreeing claims, general correspondence, and making distributions

Trading

This will include assessing the viability of on-going trade, preparing forecasts, securing funding, managing operations, trading supervision and monitoring, dealing with employees, reporting, and ensuring statutory compliance e.g. health and safety

Case specific matters

Any other matter not falling into any of the above categories

SUBCONTRACTORS

Details and the costs of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holder or his or her staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged. However, generally it is not the policy of Robson Laidler LLP to sub-contract out any work that could otherwise be carried out by the office holder or his or her staff

AGENT'S COSTS

Agent's costs are charged direct to the case and the basis of the fee arrangement will be disclosed. Agents are instructed based on our perception of their experience and ability to perform the type of work, the complexity

ROBSON LAIDLER LLP – STATEMENT ON REMUNERATION AND EXPENSES IN INSOLVENCY PROCEEDINGS

and nature of the assignment and the basis of the fee arrangement with them. We will review the fees charged to ensure they are proper and reasonable in the circumstances of the case.

The term Agent will include, but is not limited to

- Solicitors and legal advisors
- Auctioneers and valuers
- Accountants and auditors
- Estate agents
- Quantity surveyors
- Consultants
- Any other specialist advisors

DISBURSEMENTS

As part of our disclosure requirements the basis of disbursement allocation in respect of disbursements incurred by the office holder in connection with the administration of a case must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 disbursements These are costs where there is specific expenditure directly referable to the case and a payment is made to an independent third party. Category 1 disbursements can be drawn without prior approval. These disbursements are recoverable in full from the case either by a direct payment from the case or, where Robson Laidler LLP has made payment on behalf of the case, by a recharge of the amount invoiced. These expenses may include, but are not limited to advertising, room hire, storage, postage, telephone charges, invoiced travel, company search fees, specific penalty bond, and the properly reimbursed expenses incurred by Robson Laidler LLP and its employees in connection with the case.

Category 2 disbursements These are costs that are directly referable to a case but payment is not made to an independent third party. These may include shared or allocated costs that can be allocated to the case on a proper and reasonable basis. These disbursements are recoverable in full from the case, subject to the basis of the disbursement being approved in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage costs and business mileage. With the exception of business mileage Robson Laidler LLP does not typically recharge category 2 expenses, although it reserves the right to do so.

Depending upon the circumstances of the case it may be appropriate to raise the Category 2 disbursements charges

Mileage	at HM Revenue & Customs advisory fuel rate
Room Hire	£30.00 per room
Storage	£3 per box per quarter
Photocopying	15p per sheet

VAT

Remuneration and expenses invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

FURTHER INFORMATION

Further details about how an office holder's fees are approved for each case type are available in a series of guides issued with Statements of Insolvency Practice 9 (SIP 9). A copy of these guides can be downloaded from <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>. Alternatively a hard copy may be requested, free of charge, from Robson Laidler LLP by post to Robson Laidler LLP at Fernwood House, Fernwood Road, Jesmond, Newcastle upon Tyne, NE2 1TJ, by telephone on 0191 2818191, or by email at information@robson-laidler.co.uk.

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES

ENGLAND AND WALES

1 Introduction

- 1 1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.

2 The nature of administration

- 2 1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable

- realising property in order to make a distribution to secured or preferential creditors

3 The creditors' committee

- 3 1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's remuneration

- 4 1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed

- as a percentage of the value of the property which the administrator has to deal with,
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the administrator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the administrator.

It is for the creditors' committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case,
- any responsibility of an exceptional kind or degree which falls on the administrator,
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the property which the administrator has to deal with.

4.2 If there is no creditors' committee, or the committee does not make the requisite determination (and provided the circumstances described in paragraph 4.3 do not apply), the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator, but the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.

In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of –

- each secured creditor of the company, or
- if the administrator has made or intends to make a distribution to preferential creditors –
 - each secured creditor of the company, and
 - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,

having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

5 Review of remuneration

5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request

that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 Approval of pre-administration costs

6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Disclosure of such costs must be included in the administrator's proposals and should follow the principles and standards set out in section 7.

6.2 Where there is a creditors' committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator's remuneration.

6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.

7 What information should be provided by the administrator?

7.1 When fixing bases of remuneration

7.1.1 When seeking agreement for the basis or bases of remuneration, the administrator should provide sufficient supporting information to enable the committee or the creditors to make an informed judgement as to whether the basis sought is appropriate having regard to all the circumstances of the case. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought. The appendix to this guide sets out a suggested format for the provision of information.

7.1.2 If any part of the remuneration is sought on a time costs basis, the administrator should provide details of the minimum time units used and current charge-out rates, split by grades of staff, of those people who have been or who are likely to be involved in the time costs aspects of the case.

7.1.3 The administrator should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

7.1.4 If work has already been carried out, the administrator should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved, sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case. Where the proposed charge is calculated on a time costs basis, the administrator should disclose the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. The administrator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

7 2 After the bases of remuneration have been fixed

The administrator is required to send progress reports to creditors at specified intervals (see paragraph 8 1 below). When reporting periodically to creditors, in addition to the matters specified in paragraph 8 1, the administrator should provide an explanation of what has been achieved in the period under review and how it was achieved, sufficient to enable the progress of the case to be assessed. Creditors should be able to understand whether the remuneration charged is reasonable in the circumstances of the case (whilst recognising that the administrator must fulfil certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate). Where any remuneration is on a time costs basis, the administrator should disclose the charge in respect of the period, the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable. The administrator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

7 3 Disbursements and other expenses

7 3 1 Costs met by and reimbursed to the administrator in connection with the administration should be appropriate and reasonable. Such costs will fall into two categories:

- **Category 1 disbursements.** These are costs where there is specific expenditure directly referable both to the administration and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the administrator or his or her staff.
- **Category 2 disbursements.** These are costs that are directly referable to the administration but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the administration on a proper and reasonable basis, for example, business mileage.

Category 1 disbursements can be drawn without prior approval, although the administrator should be prepared to disclose information about them in the same way as any other expenses. Category 2 disbursements may be drawn if they have been approved in the same manner as the administrator's remuneration. When seeking approval, the administrator should explain, for each category of expense, the basis on which the charge is being made.

7 3 2 The following are not permissible:

- a charge calculated as a percentage of remuneration,
- an administration fee or charge additional to the administrator's remuneration,
- recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

8 Progress reports and requests for further information

8 1 The administrator is required to send a progress report to creditors at 6-monthly intervals. The report must include:

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),

- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period,
- the date of approval of any pre-administration costs and the amount approved,
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the administrator's remuneration and expenses

8.2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

8.3 The administrator must provide the requested information within 14 days, unless he considers that

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days of the administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

9 **Provision of information – additional requirements**

The administrator must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is –

- the total number of hours spent on the case by the administrator or staff assigned to the case,
- for each grade of staff, the average hourly rate at which they are charged out,
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office.

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office.

10 What if a creditor is dissatisfied?

- 10 1 If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court
- 10 2 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8 1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing
- 10 3 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration

11 What if the administrator is dissatisfied?

- 11 1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration

12 Other matters relating to remuneration

- 12 1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors
- 12 2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court
- 12 3 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made
- 12 4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them



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Appendix

Suggested format for the provision of information

Professional guidance issued to insolvency practitioners sets out the following suggested format for the provision of information when seeking approval of remuneration. However, the level of disclosure suggested below may not be appropriate in all cases, and will be subject to considerations of proportionality. In larger or more complex cases the circumstances of each case may dictate the information provided and its format.

Narrative overview of the case

In all cases, reports on remuneration should provide a narrative overview of the case. Matters relevant to an overview are:

- the complexity of the case,
- any exceptional responsibility falling on the administrator,
- the administrator's effectiveness,
- the value and nature of the property in question.

The information provided will depend upon the basis or bases being sought or reported upon, and the stage at which it is being provided. An overview might include:

- an explanation of the nature, and the administrator's own initial assessment, of the assignment (including the anticipated return to creditors) and the outcome (if known),
- initial views on how the assignment was to be handled, including decisions on staffing or subcontracting and the appointment of advisers,
- any significant aspects of the case, particularly those that affect the remuneration and cost expended,
- the reasons for subsequent changes in strategy,
- the steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, and fee drawing,
- any existing agreement about remuneration,
- details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees,
- in a larger case, particularly if it involved trading, considerations about staffing and managing the assignment and how strategy was set and reviewed,
- details of work undertaken during the period,
- any additional value brought to the estate during the period, for which the administrator wishes to claim increased remuneration.

Time cost basis

Where any part of the remuneration is or is proposed to be calculated on a time costs basis, requests for and reports on remuneration should provide:

- An explanation of the administrator's time charging policy, clearly stating the units of time that have been used, the grades of staff and rates that have been charged to the assignment, and the policy for recovering the cost of support staff. There is an expectation that time will be recorded in units of not greater than 6 minutes.
- A description of work carried out, which might include:
 - details of work undertaken during the period, related to the table of time spent for the period,
 - an explanation of the grades of staff used to undertake the different tasks carried out and the reasons why it was appropriate for those grades to be used,
 - any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- Time spent and charge-out summaries, in an appropriate format.

It is useful to provide time spent and charge-out value information in a tabular form for each of the time periods reported upon, with work classified (and sub-divided) in a way relevant to the circumstances of the case

The following areas of activity are suggested as a basis for the analysis of time spent

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The level of disclosure suggested above will not be appropriate in all cases, and considerations of proportionality will apply

- where cumulative time costs are, and are expected to be, less than £10,000 the administrator should, as a minimum, state the number of hours and average rate per hour and explain any unusual features of the case,
- where cumulative time costs are, or are expected to be, between £10,000 and £50,000, a time and charge-out summary similar to that shown above will usually provide the appropriate level of detail (subject to the explanation of any unusual features),
- where cumulative time costs exceed, or are expected to exceed, £50,000, further and more detailed analysis or explanation will be warranted

Appendix C - Copy of the statement of affairs

Statement of affairs

Name of Company
Glenrose Developments (Hebburn) Limited

Company number
03731113

In the High Court of Justice
Chancery Division
Companies Court

Court case number
8233 of 2013

(a) Insert name and address of registered office of the company Statement as to the affairs of (a) Glenrose Developments (Hebburn) Limited of Churchill House, 12 Mosley Street, Newcastle upon Tyne, NE1 1DE

(b) Insert date on the (b) 22 November 2013, the date that the company entered administration

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 22 November 2013 the date that the company entered administration

Full name Christopher John Watson

Signed 

Dated 11.12.13

A - Summary of Assets

Assets

Assets subject to fixed charge

ROCKLEIGH

4,605,000 3,250,000

PINELOUSE

165,000 150,000

R7DALE

1,345,000 1,065,000

THE CLOSE

475,000 475,000

ECHO

1,250,000 1,000,000

£7,840,000 £5,940,000

BANK

£11,739,618 £11,739,618

SHORTFALL

(£3,899,618) (£5,799,618)

Assets subject to floating charge

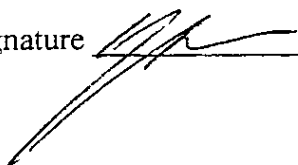
Uncharged assets

Estimated total assets available for preferential creditors

NIL

NIL

Signature

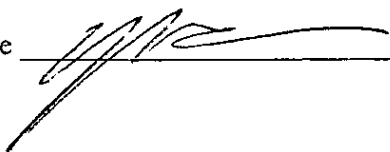


Date 11/12/13.

A1 – Summary of Liabilities

	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£ Nil
Liabilities	
Preferential creditors -	£ —
Estimated deficiency/surplus as regards preferential creditors	£ —
Estimated prescribed part of net property where applicable (to carry forward)	£ —
Estimated total assets available for floating charge holders	£ —
Debts secured by floating charges	£ 5,799,618
Estimated deficiency/surplus of assets after floating charges	£ (5,799,618)
Estimated prescribed part of net property where applicable (brought down)	£ —
Total assets available to unsecured creditors	£ 5,799,618
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£ 756,970
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£ (756,970)
Shortfall to floating charge holders (brought down)	£ —
Estimated deficiency/surplus as regards creditors	£ 6,556,588
Issued and called up capital	£ —
Estimated total deficiency/surplus as regards members	£ (6,556,588)

Signature




Date

11/12/13

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security
ZUCCH	DUBLIN ASSETS IRELAND 5TH FLOOR, LINTICHERHOUSE, 1FSC, DUBLIN 1	11,734,013	FIXED AND FLOTTING	11/11/2007	5,740,000
LEEDS BANK	PO BOX 1000 BX1 1LT	32,133	2ND CHARGE		-
IN ASSURANCE PENSIONERS	RPMG LLP 57 JAMES SQUARE, MANCHESTER, M2 6US	118,665	-	-	-
CLINTON	ELPHINSTON WAY, DONHEAD BUSINESS PARK, SUNDERLAND, SR3 3XR	146,997	-	-	-
SUNDERLAND COUNCIL	PO BOX 115 CIVIC CENTRE, SUNDERLAND, SR5 9BS	36,542	-	-	-
MIR R SMITHSON	ASHFIELD HOUSE, EAST STREET, MANCHESTER, M14 6JH	273,631	2ND CHARGE OVER PROPERTY SPECIFIC TO LHM	MARCH 2004	-
DICKINSON DEES	57 RIVINGTON WAY, 112 COMINSIDE, NEAR ASTLE UPON TYNE, NE1 3DX	150,000	2ND CHARGE OVER PROPERTY SPECIFIC TO LHM	FEBRUARY 2005	-
	+ to be confirmed				

Signature  Date 11/12/13

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No of shares held	Nominal Value	Details of Shares held
TOTALS				

Signature _____ Date _____