

## The Insolvency Act 1986

## Administrator's progress report

2.24B

Name of Company Cheval Property Developments Limited	Company number 04348496
In the High Court of Justice [full name of court]	Court case number 5009 of 2011

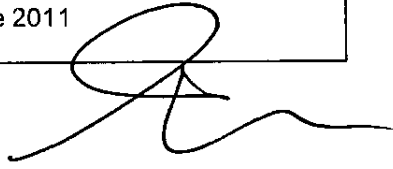
(a) Insert full name(s) and address(es) of administrator(s)

We (a) Malcolm Peter Fillmore and Ms Ranjit Bajon of Atherton Bailey, Arundel House, 1 Amberley Court, Whitworth Road, Crawley, RH11 7XL

administrators of the above company attach a progress report for the period

(b) Insert dates

from (a) 20 June 2011	to (b) 19 December 2011
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Signed   
Joint Administrator - M P Fillmore

Dated 10 January 2012

## 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 searches of the public record.

Atherton Bailey Arundel House, 1 Amberley Court Whitworth Road, Crawley RH11 7XL		Tel 01293 410333
DX Number	DX Exchange	

When you have completed and signed this form please send it to the Registrar of Companies at  
Companies House, Crown Way, Cardiff, CF14 3UZ  
DX 33050 Cardiff

WEDNESDAY



A05  
11/01/2012  
COMPANIES HOUSE #195

**CHEVAL PROPERTY DEVELOPMENTS LIMITED (in Administration) ("The Company")**  
**Trading Address Meridien House, 69-71 Clarendon Road, Watford, WD17 1DS**

**ADMINISTRATORS' PROGRESS REPORT FOR THE PERIOD 20 JUNE 2011 TO 19 DECEMBER 2011**  
**(Rule 2 47 of the Insolvency Rules 1986)**

**1 Introduction**

1 1 On 20 June 2011, Malcolm Fillmore and Ms Ranjit Bajon of Atherton Bailey LLP were appointed Joint Administrators of the Company by the High Court of Justice pursuant to an application made by Israel Discount Bank Limited, ("IDB") This is our formal report on the progress of this Administration since our appointment

1 2 The business of the Company was to provide bridging finance to its customers, principally to assist them to acquire property for development The Company took security over the property and IDB in turn took security over the Company's security The Company traded from leasehold premises in Watford

1 3 Attached as Appendix 1 are certain formal and statutory details which we are required to disclose and which include details relating to our remuneration as Administrators, further details of which are given in Appendix 2 Appendix 3 is a summary of our receipts and payments for the period to 19 December 2011 as well as to the date of this report

**2 Administrators' Progress Report**

2 1 The Purpose of the Administration was to achieve a better result for the company's creditors as a whole than would be likely if the company were wound up and realising property in order to make a distribution to one or more secured or preferential creditors

2 2 As at the date of our appointment we found that the Company had outstanding loans against the following properties,

35 – 38 Friar Street Reading ("Friar Street")  
Seaton Heights Devon ("Seaton Heights")  
Thorn Farm Nr Canterbury Kent ("Thorn Farm")  
Carrick Court Hotel Southern Ireland ("Carrick Court")

***Friar Street***

2 3 Following our appointment we found that Friar Street had been transferred into the name of Cheval Property Finance Plc ("CPF") The parent of the Company and over which PWC had been appointed Administrators As IDB continue to hold their sub charge over Friar Street proceeds from the realisation of the security will be paid to IDB

2 4 To overcome the potential control problems we were appointed as joint LPA Receivers of Friar Street on 8 August 2011 The registered owner of Friar Street, London & Silver Developments LLP, had been dissolved and therefore we have instructed our solicitor to apply to restore London & Silver to the Companies House Registry to prevent any difficulties when dealing with the sale of Friar Street

2 5 Cosmo Restaurants, who had purchased the 999 year lease on the ground floor and basement of Friar Street, submitted an offer to purchase the upper floors We instructed the Company's agents Lambert Smith Hampton to continue to negotiate with them to increase their offer and to continue to market Friar Street with a view to receiving higher offers We have recently received an offer from an interested party which is above the level of the offer from Cosmo Restaurants and have instructed Lambert Smith Hampton to invite best and final offers with a view to securing a sale of Friar Street in the near future

***Seaton Heights***

2 6 We instructed Christie & Co to provide a formal valuation of Seaton Heights and strategy for marketing and realising the property We have met with and discussed what we would require from the owners Mrs & Mrs Gripton to settle the Company's and IDB's charge on Seaton Heights We are in ongoing discussions with them

- 2 7 While we have yet to instruct agents to actively market the property we have recently received an offer and are in discussions with another interested party

**Thorn Farm**

- 2 8 A change of planning use was recently granted over Thorn Farm to allow for offices/light industrial and storage/distribution
- 2 9 However it is considered by our agents that the planning permission as granted is in present market conditions uneconomic. We are therefore considering alternative options to maximise the potential value of Thorn Farm and its cottage
- 2 10 We are in receipt of rental income of £700 per month from the tenant of Thorn Farm Cottage

**Carrick Court Hotel Southern Ireland**

- 2 10 Since our interest is under a second charge, it is not thought there is any likelihood of a realisation

**PII Claims**

- 2 11 Prior to our appointment the Company made a PII claim for £144,000 against solicitors who had acted in the purchase of Eatons Farm. We are seeking advice from our solicitor as to how to progress the claim
- 2 12 The Company had also commenced a PII claim against the valuers of a property known as South Sands. The fruits of this action had however been assigned to CPF although the legal action was being continued in the name of the Company. We have discussed with the purchasers of the assets of CPF a protocol which may realise some funds from the action

**Other Matters**

- 2 13 As required by SIP2, I have invited creditors to provide the Administrators with information they may have on any concern regarding the way in which the company's business has been conducted, or on potential recoveries for the Administration estate. We have also considered the conduct of those who have been directors of the company (whether formally appointed as directors or not) at any time within the three years preceding the date of the Administration. We are about to be appointed as joint liquidators of CPF. If there are any matters relating to the affairs of either company that you think should be drawn to our attention, please could you do so as soon as possible

**3 Assets remaining to be realised**

- 3 1 As at the date of this report, the following assets remain to be realised
- 35 – 38 Friar Street Reading ("Friar Street")  
Seaton Heights Devon ("Seaton Heights")  
Thorn Farm Nr Canterbury Kent ("Thorn Farm")  
The PII claims

**4 Extension to the Initial Period of Administration**

- 4 1 The initial period of an Administration is 12 months, with a right to extend by a further six months by consent of the creditors. Any extension beyond 18 months requires approval of the Court
- 4 2 We would propose to extend the Administration to 18 months to 19 December 2012 in order to allow for the realisation of assets and we have written to the secured creditor to seek their consent to extend the administration

**5 The Exit Route**

- 5 1 There are a number of possible exit routes from Administration. These include
- 5 1 1 Distributing the funds to creditors in accordance with their statutory priority and then seeking to dissolve the Company. If funds are to be paid to unsecured creditors, this requires the sanction of the Court

5.1.2 Putting the Company into Creditors Voluntary Liquidation In this event, unless creditors otherwise elect an alternative, the present Administrators would act as liquidators  
5.1.3 Proposing a Company Voluntary Arrangement (CVA)

5.2 In this case, the only prospect for funds being available to pay such a dividend to unsecured creditors is via the prescribed part. We are presently minded to seek the Court's permission to distribute this in the Administration prior to the dissolution of the Company. However, should an alternative route appear to be beneficial to the outcome for creditors, we may choose that route.

## **6 Administrators' Costs and Remuneration**

6.1 The total "time costs" recorded both since our appointment and for the period under review are summarised on Appendix 2 in the format prescribed by R3 (The Association of Business Recovery Professionals). Creditors should note that these are the time costs shown on our internal accounting records and are not necessarily the amounts actually charged and recovered as remuneration. A Creditor's guide to Administrator's Fees can be located in SIP 9 (Statement of Insolvency Practice) which can be accessed through the website of the Insolvency Practitioners Association, [www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk). Alternatively please contact this office for a copy to be sent to you by post.



**Malcolm Fillmore**  
**Joint Administrator of Cheval Property Developments Limited**  
**Dated 10 January 2012**

**STATUTORY AND FORMAL INFORMATION AND DISCLOSURES**

**Details of Relevant Court**

High Court of Justice  
Court reference No 5009 of 2011

**Company Details:**

Registered Office Arundel House, Amberley Court, Whitworth Road, Crawley, RH11 7XL  
Registered Number 04348496  
Any former name in 12 months prior to Administration None

**Administration Details**

Malcolm Peter Fillmore and Ms Ranjit Bajon of Atherton Bailey LLP, Arundel House, Amberley Court, Whitworth Road, Crawley, West Sussex, RH11 7XL were appointed on 20 June 2011  
The appointment was made by the court pursuant to an application made by Israel Discount Bank Limited ("IDB")  
The Administrators act jointly and severally in all matters relating to the administration  
There have been no changes in the office holders since Administration

**Administrators' Remuneration**

The Administrators' Proposals were deemed to be approved on 18 August 2011 and it was agreed that the Administrators remuneration would be on a time cost basis pursuant to Rule 2.106 IR1986. The current hourly rates of staff and partners involved in this case are as follows: Partners £275 - £295 (£270 - £290), Senior Professional Staff £110 - £230 (£110 - £220), Assistants and Support Staff £85 - £100. The hourly rates were increased with effect from 1 July 2011, the previous rates are shown in brackets,

Category 2 disbursements were also approved as being 25p per letter, 15p per photocopy and 45p per mile plus 5p for additional persons travelling in the same car. Company searches and other searches from our Provider Credit Safe which are to be recharged to the case at a rate of £5 per search.

The Category 2 disbursements incurred (irrespective of whether payment has been made during the period) by the Administrators for the period of the Report are as follows:

Letters and photocopying and postage £65.67  
Mileage and travel costs £1,207.85  
Subsistence £42.93  
Land Registry Searches £24.00  
Company House Searches £280.00  
Insolvency Bond £1,300  
Statutory Advertising £76.50

No Administrators' remuneration or category 2 disbursements have yet been drawn in the period in accordance with the resolution passed. Pre-administration costs of £10,101.32 and disbursements of £196.08 have been approved by the secured creditor. In addition remuneration from realisations of assets secured by fixed charges will be approved by the secured creditor.

A Creditor's Guide to Administrator's Fees, known as SIP 9 (*Statement of Insolvency Practice 9*), can be accessed through the website of the Insolvency Practitioners Association, [www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk). Alternatively please contact this office for a copy to be sent to you by post.

Creditors are advised that within 21 days of receipt of a progress report you may request the Administrators to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. Any request must be in writing, and made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of all unsecured creditors (including himself) or the permission of the court. Explanation of the rights to challenge the administrators' remuneration and expenses are set out in SIP9.

**Atherton Bailey**

APPENDIX 2

**TIME & CHARGEOUT SUMMARIES**

Cheval Property Developments Limited

From 20 Jun 2011 to 19 Dec 2011

Administration

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	17 77	0 00	165 12	98 63	281 52	54,772 16	194 56
Investigations	10 83	0 00	2 32	0 00	13 15	3,727 41	283 45
Realisation of Assets	83 08	0 00	55 47	0 28	138 83	37,091 27	267 16
Trading	0 42	0 00	0 00	0 92	1 33	235 43	176 56
Creditors	19 67	0 00	7 08	3 37	30 12	7,810 44	259 34
Litigation	2 08	0 00	0 58	0 00	2 67	748 73	280 78
Rec & Pay	0 00	0 00	0 00	5 35	5 35	489 96	91 60
Total Fees Claimed £	39,109 87	0 00	52,713 36	13,052 17		104,875 40	
Total Hours	133 85	0 00	230 57	108 55	472 97		
Average Rate	292 19	0 00	228 63	120 24			

**TIME & CHARGEOUT SUMMARIES**

Cheval Property Developments Limited

From 20 Dec 2011

Administration

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	0 90	0 00	3 47	4 23	8 60	1,572 02	182 79
Investigations	0 00	0 00	0 00	0 07	0 07	8 34	125 04
Realisation of Assets	0 00	0 00	2 82	0 00	2 82	647 82	230 00
Creditors	0 00	0 00	5 60	0 00	5 60	1,288 00	230 00
Rec & Pay	0 00	0 00	0 00	0 47	0 47	46 33	99 29
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Fees Claimed £	247 50	0 00	2,733 16	581 85		3,562 51	
Total Hours	0 90	0 00	11 88	4 77	17 55		
Average Rate	275 00	0 00	230 00	122 07			

APPENDIX 3

Cheval Property Developments Limited  
[In Administration]

Administrators' Receipts and Payments Account For the period 20 June 2011 to 10 January 2012		£	£
		As per director's Statement of Affairs	For the Period from 20 June 2011 to 19 December 2011
<b>RECEIPTS</b>			
Trade Debtors	2,000,000 00	0 00	0 00
35 -37 Friar Street Reading	500,000 00	0 00	0 00
Cash at Bank	49,085 00	21,320 08	21,320 08
Rental Income		9,342 85	9,342 85
Bank Interest Received (Gross)		17 92	8 56
	<u>2,549,085 00</u>	<u>30,680 85</u>	<u>30,671 49</u>
<b>PAYMENTS</b>			
Court Fees		155 00	155 00
Treasury Solicitor re London & Silver Developments LLP		300 00	0 00
Chaps Payment Fees		15 00	15 00
Courier Charges		290 40	248 40
Insurance Works - Friar Street		976 80	976 80
Insurance Works - Seaton Heights		19,149 60	19,149 60
		<u>20,886 80</u>	<u>20,544 80</u>
Secured Creditor		0 00	0 00
<b>DISTRIBUTIONS</b>			
Preferential Dividends		0 00	0 00
Unsecured Distributions		0 00	0 00
Balance in insolvent estate account as at 10 January 2012 (interest bearing account)		<u>£9,794 05</u>	<u>£10,126 69</u>



## ADMINISTRATION CLAIM FORM

Name/Address of Debtor

**Cheval Property Developments Limited**  
**Trading address:**  
**Meridien House**  
**69-71 Clarendon Road**  
**Watford**  
**WD17 1DS**

Name/Address of Creditor

Please provide us with an email contact address:

Amount of Claim (Please attach a detailed Statement of Account)

£

Brief Summary of Nature of Goods/Services Supplied

Do you claim any security? (Such as retention of title, fixed or floating charges, conditional sale agreement, lease or hp interest etc) If so, please set out details

Yes/No

Signed  
Position

Date

Please give email address.

This form should be returned to Atherton Bailey LLP, Arundel House, 1 Amberley Court, Whitworth Road, Crawley, West Sussex RH11 7XL together with supporting documentary evidence.

## Notice of conduct of business by correspondence

Name of Company

Cheval Property Developments Limited

Company number

04348496

In the

High Court of Justice

[full name of court]

Court case number

5009 of 2011

- (a) Insert full name(s) and address(es) of the administrator(s) Notice is hereby given by (a) Malcolm Peter Fillmore and Ms Ranjit Bajon, Atherton Bailey LLP, Arundel House, 1 Amberley Court, Whitworth Road, Crawley, RH11 7XL
- (b) Insert full name and address of registered office of the company to the creditors of (b) Cheval Property Developments Limited, Arundel House, 1 Amberley Court, Whitworth Road, Crawley, West Sussex, RH11 7XL
- (c) Insert number of resolutions enclosed that, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed are (c) two resolutions for your consideration Please indicate below whether you are in favour or against each resolution
- (d) Insert address to which form is to be delivered This form must be received at (d) Atherton Bailey LLP, Arundel House, 1 Amberley Court, Whitworth Road, Crawley, West Sussex, RH11 7XL
- (e) Insert closing date by 12 00 hours on (e) 27 January 2012 in order to be counted It must be accompanied by details in writing of your claim Failure to do so will lead to your vote(s) being disregarded

Resolution (1) I am \*in Favour / Against

Repeat as necessary for the number of resolutions attached

Resolution (2) I am \*in Favour / Against

### TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor

Signature of creditor

(If signing on behalf of creditor, state capacity e.g. director/solicitor)

If you require any further details or clarification prior to returning your votes, please contact us at the address above

Signed

Joint Administrator - Malcolm Fillmore

Dated 10 January 2012

**CHEVAL PROPERTY DEVELOPMENTS LIMITED  
(IN ADMINISTRATION)**

**RESOLUTIONS AS APPENDED TO FORM 2.25B DATED 10 JANUARY 2012**

- 1 That the Administration Order be extended for a period of 6 months ending 19 December 2012
- 2 That the Joint Administrators' may make an application to the High Court to extend the period of the Administration Order beyond 19 December 2012 should the Administrators so require to enable the purposes of the Administration to be completed

**Please note that you are required to indicate whether you are in favour of each resolution by completing form 2.25B.**