

2.24B**Administrator's progress report**

Name of Company

Chilton New Homes Limited in Administration

Company number

04847317

In the High Court of Justice, Chancery Division
Leeds District RegistryCourt case number
868 of 2008

We

Richard Dixon Fleming
KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW
United KingdomMark Granville Firmin
KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

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

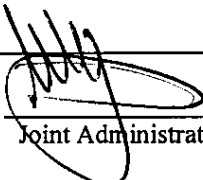
from

17 June 2009

to

16 December 2009

Signed


Joint Administrators

Dated

16 December 2009

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

Dave Collins

KPMG LLP

1 The Embankment

Neville Street

Leeds

LS1 4DW

DX Number DX 724440 Leeds

Tel

DX Exchange Leeds

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

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COMPANIES HOUSE



**Chilton New Homes Limited
(in Administration)**

**Final Progress Report to
Creditors pursuant to Rule
2.110 of the Insolvency
(Amendment) Rules 2003**

KPMG LLP

16 December 2009

This report contains 18 Pages

rdff/jr/ml/mn



Notice: About this Report

This Report has been prepared by Richard Dixon Fleming and Mark Granville Firmin, the Joint Administrators of Chilton New Homes Limited, solely to comply with their statutory duty to report to creditors under the Insolvency Rules 1986 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Chilton New Homes Limited.

Any estimated outcomes for creditors included in this Report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this Report for any purpose or in any context other than under the Insolvency Rules 1986 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Report to any such person.

Richard Dixon Fleming is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association. Mark Granville Firmin is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The Joint Administrators act as agents for Chilton New Homes Limited and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the Administration.



Glossary

| | |
|--|--|
| Administration Order | The Administration Order granted by the High Court of Justice, Chancery Division, in respect of Chilton New Homes Limited dated 17 June 2008. Court Administration Order number 868 of 2008. |
| the Company | Chilton New Homes Limited (company registered number 04847317) |
| Administrators or the Joint Administrators | Richard Dixon Fleming and Mark Granville Firmin of KPMG LLP |
| Barclays | Barclays Bank plc |
| the Directors | Capricorn homes limited David Durling |



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1 Introduction

Further to my Proposals dated 8 August 2008 and my previous progress reports, I write to provide my final report on the progress of the Administration in accordance with Rule 2.110 of the Insolvency (Amendment) Rules 2003.

This Report provides an update on the progress of the Administration since my appointment and covers the period from 17 June 2008 to 16 December 2009.

The Joint Administrators' proposals have now been completed. There is no prospect of a dividend to unsecured creditors. As such the Joint Administrators will now file this report and Form 2.35B at Companies House to enable the Company to be dissolved.

For your information, a final abstract receipts and payments account for the period 17 June 2008 to 16 December 2009 is attached at Appendix 2.

As previously reported, pursuant to the filing of the intention to appoint an Administrator by the Company's Director, Richard Dixon Fleming and Mark Granville Firmin of KPMG LLP were appointed Joint Administrators by an Order granted by the High Court Justice, Chancery Division on 17 June 2008.

Richard Dixon Fleming is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association. Mark Granville Firmin is authorised to act as Insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

In accordance with Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986, the functions of the Joint Administrators may be exercised by either or both of them.

In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986, the Joint Administrators set out their Proposals for achieving the purpose of the Administration and for the conduct of the administration which are attached in Appendix 4 of this Report.

The Report also includes certain information required to be provided to creditors in accordance with Rule 2.33 of the Insolvency (Amendment) Rules 2003.

The appropriate statutory information is set out in Appendix 1.

Receipts and payments period account up to 16 December 2009 is enclosed in Appendix 2 and form 2.24 – Abstract of receipts and payment up to 16 December 2009 is included in Appendix 3.



2 Background and events leading to the Administration Order

For background and events leading to the Administration Order, please refer to my Proposals and previous Report.

3 Purpose, initial strategy and progress of the Administration to 16 December 2009

3.1 Purpose of the Administration

Paragraph 3(1) of Schedule B1 of the Insolvency Act 1986 states that the Administrator of a company must perform his functions with the objective of:

- (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; or*
- (c) realising property in order to make a distribution to one or more secured or preferential creditors.*

The objective as set out in Paragraph 3(1)(a) rescuing the Company (legal entity) as a going concern is not possible due to the high level of liabilities incurred.

The Joint Administrators do not anticipate any dividend to unsecured creditors and so the objective as set out in Paragraph 3(1)(b) is unlikely to be achieved.

The objective of this administration is therefore that which is set out in Paragraph 3(1)(c), realising property in order to make a distribution to one or more secured or preferential creditors.

3.2 Initial strategy

For the initial strategy, please refer to my previous Reports.



3.3 Sale of completed properties

The completed properties consisted of four 3-bedroom houses and one 4-bedroom house.

In order to sell newly completed properties, the Joint Administrators were required to arrange structural building insurance. These insurance policies are normally tailored to trading companies within the house-building sector and detailed and lengthy negotiations were necessary in order to register the Company and the Joint Administrators under an approved warranty scheme. A policy was finalised in January 2009 which has enabled the Joint Administrators to progress with selling the houses.

All five properties have been sold, resulting in realisations of £1,498,000.

3.4 Statutory investigations

In accordance with the Joint Administrators' statutory duties, an investigation into the conduct of the Directors has been undertaken, and a return submitted to the Department of Trade and Industry.

4 Receipts and payments

All receipts and payments due include next of VAT.

4.1 Receipts

4.1.1 Freehold property

We have received £1.498 million in respect of the five freehold properties.

4.1.2 Sundry receipts

We have received circa £670 in respect of miscellaneous income and refunds.

4.2 Payments

We have made circa £42,000 in respect of property expenses such as utility costs, rates and insurance.



5 Cost of realisations

5.1 Administrators' remuneration

The basis of the Administrators' fees is time properly spent at KPMG LLP's standard hourly rates. These rates are included in Appendix 5 to this Report.

In the period from 17 June 2008 to 3 December 2009, we have incurred time costs of £147,394 representing 714 hours at an average rate of £206 per hour. This includes tax, VAT, employee, pensions and health and safety advice from KPMG LLP in-house specialists.

In the period to 16 December 2009, fees of £108,156 have been drawn. The Joint Administrators do not envisage there being sufficient realisations to cover their time costs in full.

In accordance with Statement of Insolvency Practice 9, a breakdown of these costs and expenses for each grade of staff is attached as Appendix 5.

The statutory provisions relating to remuneration are set out in Rule 2.106 of the Insolvency Rules 1986. Further information is given in the Association of Business Recovery Professionals' publication a Creditors' Guide to Administrators' Fees, a copy of which can be obtained by logging onto the R3 website at [http://www.r3.org.uk/uploads/sip/SIP9 v5 April 2007\(1\).pdf](http://www.r3.org.uk/uploads/sip/SIP9 v5 April 2007(1).pdf). However, if you are unable to access this guide and would like a copy, please contact Tom Hutchinson on 0113 231 3362.

Please note that all staff who have worked on this assignment, including cashiers and secretarial staff have charged time directly to the assignment and are included in the analysis of time spent. However, the cost of staff employed in central administration functions is not charged directly to this assignment but is reflected in the general level of charge out rates.

5.2 Professional fees

We have engaged DLA Piper LLP as our legal advisers. Their fees have been incurred as a result of work in connection with asset realisations and in support of the Administrators' fulfilling their statutory duties. In total, fees of £32,587 have been paid in respect of their services.

Trend and Thomas Estate Agents have been retained by the Joint Administrators to market the properties. Further to the sale of the five properties, they have received £22,470 in fees.



We have also engaged GVA Grimley as our agents to assist with the valuations of the properties and to date we have paid them £3,050 in fees.

6 Estimated outcome for creditors

6.1 Secured creditors

In total, we have distributed £1,289,628 to Barclays. However, due to the difficult housing market, Barclays suffered a shortfall.

6.2 Preferential creditors

The Joint Administrators are not aware of any preferential claims against the Company as the Company had no employees at the time of their appointment.

6.3 Non-preferential creditors and prescribed part

As previously reported, there were insufficient funds available for a dividend payment to be made to the unsecured creditors of the Company.

The Prescribed Part which applies to non-preferential, unsecured creditors may apply in this case as the debentures held by the secured creditor were registered after 15 September 2003.

The availability of distribution via a Prescribed Part was directly dependent on the floating charge realisations. However, given the shortfall to the secured creditor, there was no dividend available to unsecured creditors under the Prescribed Part rules.

7 Initial creditors' meeting

As stated above, on the basis of current information the Joint Administrators do not anticipate that there will be sufficient funds to enable a distribution to be made to unsecured creditors.

Therefore, in accordance with Paragraph 52(1) of Schedule B1 of the Insolvency Act 1986, a meeting of creditors is only convened if 10% in value of creditors request it, within 12 days of the Proposals.



No such request was received and accordingly, the Proposals attached in Appendix 4 are deemed accepted.

8 End of administration

The assets have been realised and all issues have been resolved; accordingly the Joint Administrators sent a final Report to creditors and filed a notice at Companies House to dissolve the Company. The Joint Administrators ceased to act and were discharged of all liabilities as detailed in Paragraph 98 of Schedule B1 of the Insolvency Act 1986 and as it is set out in their Proposals.

9 Administrators' Proposals

Administrators' Proposals are stated in Appendix 4 to this Report.

10 Statement concerning the EC Regulations

The EC Council Regulations on Insolvency Proceedings apply to this Administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State.

Should you have any queries regarding this Report please contact Tom Hutchinson on 0113 254 3362.

This concludes the Report and the Administration.

Mark Firmin
Joint Administrator



Appendix 1 – Statutory Information

| | |
|-----------------------------------|--|
| Company Name | Chilton New Homes Limited |
| Date of Incorporation | 28 July 2003 |
| Company number | 04847317 |
| Previous registered office | 63 Curzon Street London W1 8PD |
| Present registered office | KPMG LLP 1 The Embankment Neville Street Leeds LS1 4DW |
| Trading address | 53 Queen Street Sheffield S1 2DU |
| Authorised share capital | 100 Ordinary Shares of £1 each |
| Called up share capital | 99 Ordinary Shares of £1 each |
| Shareholders | Capricorn Homes Limited |
| Directors | Capricorn Homes Limited David Durling |
| Company secretary | Kumar Vakil |
| Employees | None |
| Previous names | Chiltern New Homes Limited |



Appendix 2 – Receipts and payments period account from 17 June 2008 to 16 December 2009

Chilton New Homes Limited (In Administration) Administrators' Abstract of Receipts & Payments

| Statement of Affairs | From 17/06/2008 To 16/12/2009 | From 17/06/2008 To 16/12/2009 |
|-------------------------|----------------------------------|----------------------------------|
| | FIXED CHARGE ASSETS | |
| 1,500,000.00 | Freehold property | 1,498,000.00 |
| | Service Charge | 92.50 |
| | Sundry Refunds | 7.03 |
| | Bank interest, gross | 240.02 |
| | Property Income | 46.38 |
| | 1,498,385.93 | 1,498,385.93 |
| | FIXED CHARGE COSTS | |
| | Administrators' fees | 108,156.00 |
| | Legal fees | 32,586.92 |
| | Direct Property Expenses | 14,767.22 |
| | Agents'/Valuers' fees | 24,020.00 |
| | Agents'/Valuers' fees (2) | 1,500.00 |
| | Statutory Advertising | 236.95 |
| | Sundry Refunds | (283.65) |
| | Bank charges | 539.53 |
| | Insurance of Assets | 27,233.73 |
| | (208,756.70) | (208,756.70) |
| | FIXED CHARGE CREDITORS | |
| | Fixed charge creditor | 1,289,627.51 |
| | (1,289,627.51) | (1,289,627.51) |
| | COST OF REALISATIONS | |
| | Bank charges | 1.72 |
| | (1.72) | (1.72) |
| 1,500,000.00 | (0.00) | (0.00) |
| | REPRESENTED BY | |
| | Fixed charge VAT rec'able | 25,534.50 |
| | Fixed charge VAT payable | (5.03) |
| | Fixed charge VAT control | (25,529.47) |
| | | NIL |

.....
 Richard Dixon Fleming
 Administrator



Appendix 3 – Form 2.24 Abstract of Receipts and payments up to 16 December 2009

ABSTRACT OF RECEIPTS AND PAYMENTS - 17/06/2009 to 16/12/2009 Appendix to Form 2.24
Chilton New Homes Limited Page 1

RECEIPTS

| | |
|---|--------------|
| | £ |
| Brought forward from previous Abstract (if Any) | 1,217,455.06 |
| Freehold property | 283,000.00 |
| Sundry Refunds | 7.03 |
| Bank interest, gross | 133.15 |
| Sundry Refunds | 116.52 |
| Fixed charge VAT payable | 5.03 |
| Fixed charge VAT control | 23,487.29 |

* Delete as appropriate

Carried forward to
* continuation sheet / next abstract

1,524,204.08

PAYMENTS

| | |
|---|------------|
| | £ |
| Brought forward from previous Abstract (if Any) | 813,299.86 |
| Administrators' fees | 43,156.00 |
| Legal fees | 12,648.89 |
| Direct Property Expenses | 4,028.53 |
| Agents'/Valuers' fees | 9,045.00 |
| Bank charges | 128.77 |
| Insurance of Assets | 514.90 |
| Fixed charge creditor | 629,627.51 |
| Bank charges | 1.72 |
| Fixed charge VAT receivable | 9,752.90 |

* Delete as appropriate

Carried forward to
* continuation sheet / next abstract

1,524,204.08

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the administrator since he was appointed.

Appendix 4 – Administrators’ Proposals

The Joint Administrators propose the following resolutions:

RESOLUTION (1):

- to continue to do all such things reasonably expedient and generally exercise all their powers as Joint Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company;
- to investigate and, if appropriate, pursue any claims that the Company may have;
- to seek an extension to the administration period if deemed necessary by the Joint Administrators;
- when it is anticipated that no better realisations will be made in the administration than would be available in a winding up, to take the necessary steps to put the Company into either Creditors’ Voluntary Liquidation or Compulsory Liquidation or Company Voluntary Arrangement as deemed appropriate by the Joint Administrators; in the event the Joint Administrators deem that liquidation is not appropriate because, for example, no dividend will become available to creditors and there are no other outstanding matters that require to be dealt with in a liquidation, then the Joint Administrators shall file the appropriate notices at Companies House and the Company will subsequently be dissolved;
- in the event that Creditors’ Voluntary Liquidation is deemed appropriate, the Joint Administrators be permitted to seek the appointment of Richard Dixon Fleming and Mark Granville Firmin of KPMG LLP as Joint Liquidators of Chilton New Homes Limited, without any further recourse to creditors and that they may act jointly and severally in their duties. In accordance with paragraph 83(7) and Rule 2.117(3), creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved; and
- upon the appointment of a Liquidator or Supervisor or the filing of an appropriate notice at Companies House, the Administrators will cease to act and the Administrators will be discharged of all liabilities at that point as detailed in Paragraph 98 of Schedule B1 of the Insolvency Act 1986.

RESOLUTION (2):

- the Joint Administrators be authorised to draw fees on account from the assets of Chilton New Homes Limited from time to time during the period of the administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. Also, that the Joint Administrators be authorised to draw disbursements from time to time to include category two disbursements;



Chilton New Homes Limited (in Administration)
Final Progress Report to Creditors pursuant to Rule 2.110 of the Insolvency (Amendment)
Rules 2003
KPMG LLP
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- that any costs incurred by KPMG LLP prior to appointment, but for the sole purpose of assisting and advising the Company in respect of the appointment process, be authorised on the same basis as above; and
- that any costs of KPMG LLP in respect of Tax, VAT, Pensions, Health & Safety and Forensic advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of Chilton New Homes Limited.

Appendix 5 – Joint Administrators' time costs to 3 December 2009

| | Partner / Director | Manager | Administrator / support | Total hours | Time cost | Average hourly rate |
|--|-----------------------|---------|----------------------------|-------------|------------|------------------------|
| Administration & planning | | | | | | |
| General (Cashing) | - | - | 28.05 | 28.05 | £4,317.50 | £153.92 |
| Reconciliations (& IPS accounting reviews) | - | - | 9.50 | 9.50 | £1,252.50 | £131.84 |
| Books and records | - | - | 17.90 | 17.90 | £2,713.50 | £151.59 |
| Fees and WIP | - | 0.50 | 1.50 | 2.00 | £422.50 | £211.25 |
| Joint appointee | 0.50 | - | - | 0.50 | £257.50 | £515.00 |
| General correspondence | - | - | 7.30 | 7.30 | £1,095.00 | £150.00 |
| Statutory reports | - | - | 4.75 | 4.75 | £712.50 | £150.00 |
| Appointment and related formalities | - | 9.00 | 5.10 | 14.10 | £3,397.50 | £240.96 |
| Bonding and bordereau | - | - | 0.20 | 0.20 | £19.00 | £95.00 |
| Checklist & reviews | 1.00 | 9.00 | 8.60 | 18.60 | £4,940.25 | £265.60 |
| Closure and related formalities | 0.60 | 2.50 | - | 2.50 | £1,012.50 | £405.00 |
| Reports to debenture holders | - | 24.10 | 19.90 | 44.60 | £10,544.00 | £236.41 |
| Statutory receipts and payments accounts | - | 2.30 | 9.60 | 11.90 | £2,335.50 | £196.26 |
| Strategy documents | - | 2.00 | - | 2.00 | £810.00 | £405.00 |
| Initial reviews - CT and VAT | - | 3.50 | 7.60 | 11.10 | £2,835.50 | £255.45 |
| Post appointment corporation tax | 1.00 | 10.20 | 16.10 | 27.30 | £7,827.50 | £286.72 |
| Post appointment VAT | 0.10 | 2.00 | 11.20 | 13.30 | £2,455.50 | £184.62 |
| Creditors | | | | | | |
| Reports | - | - | 11.00 | 11.00 | £1,650.00 | £150.00 |
| General correspondence | - | 10.60 | 130.90 | 141.50 | £23,894.00 | £168.86 |
| Secured creditors | - | - | 8.00 | 8.00 | £1,320.00 | £165.00 |
| Statutory reports | 1.50 | 10.00 | 70.20 | 81.70 | £14,979.50 | £183.35 |
| Correspondence | - | - | 0.70 | 0.70 | £94.00 | £134.29 |
| Pension funds | - | - | 0.50 | 0.50 | £75.00 | £150.00 |



Chilton New Homes Limited (in Administration)
Final Progress Report to Creditors pursuant to Rule 2.110 of the Insolvency (Amendment) Rules 2003
KPMG LLP
16 December 2009

| | | | | | | | | | |
|--------------------------------------|------|------------|-------|----------------------------|-------------|---------|--|--|--|
| Investigation | | | | | | | | | |
| D form drafting and submission | 0.50 | 18.00 | 37.35 | 55.85 | £11,000.00 | £196.96 | | | |
| Directors' questionnaire / checklist | - | - | 1.00 | 1.00 | £150.00 | £150.00 | | | |
| Realisation of assets | | | | | | | | | |
| Debtors | - | - | 3.00 | 3.00 | £450.00 | £150.00 | | | |
| Freehold property | 3.90 | 94.30 | 78.75 | 176.95 | £41,862.75 | £236.58 | | | |
| Health & safety | - | 18.00 | - | 16.00 | £4,640.00 | £290.00 | | | |
| Open cover insurance | - | - | 1.00 | 1.00 | £165.00 | £165.00 | | | |
| Trading | | | | | | | | | |
| Purchases and trading costs | - | - | 1.00 | 1.00 | £165.00 | £165.00 | | | |
| Total in period | | | | | | | | | |
| | - | - | - | 713.80 | £147,393.50 | £206.49 | | | |
| | | | | Hours/Costs to date | | | | | |
| Fees drawn | | | | | | | | | |
| B/f | - | - | - | - | - | - | | | |
| In the period | | 108,156.00 | | 713.80 | £147,393.50 | £206.49 | | | |
| C/f | | 108,156.00 | | 713.80 | £147,393.50 | £206.49 | | | |

Notes

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.



Expenses

| | |
|-----------------------|-----------------|
| | £ |
| Bordereau bond | 1,056.00 |
| Total expenses | 1,056.00 |

KPMG Charge out rates as at 5 May 2009

| Grade | Hourly rate from 1 October 2007 to 31 March 2009 | Hourly rate from 1 April 2009 onwards |
|----------------------------|--|---|
| | (£) | (£) |
| Partner | 465 | 515 |
| Director | 400 | 440 |
| Director (Tax) | 515 | 515 |
| Senior Manager | 365 | 405 |
| Senior Manager (Tax) | 290 | 290 |
| Manager | 290 | 320 |
| Manager (Tax) | 245 | 245 |
| Senior Administrator | 205 | 225 |
| Senior Administrator (Tax) | 180 | 180 |
| Administrator | 150 | 165 |
| Support | 95 | 105 |