

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

04982661

Name of Company

Porchester Homes Limited

I / We

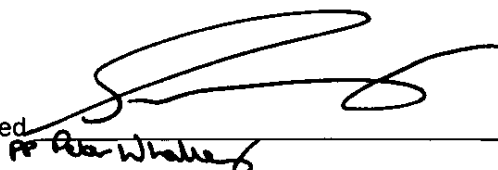
Alan Peter Whalley, Latimer House, 5 Cumberland Place, Southampton, SO15 2BH

Susan Rosemary Staunton, Latimer House, 5 Cumberland Place, Southampton, SO15 2BH

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 08/12/2014 to 07/12/2015

Signed



Date 23/12/15

James Cowper Kreston
Latimer House
5 Cumberland Place
Southampton
SO15 2BH

Ref JPOR945L/PW/SRS/TR/IR/JM

TUESDAY



A27 *A4NB2LH4* 29/12/2015 #8
COMPANIES HOUSE

Porchester Homes Limited
(In Liquidation)
Joint Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 08/12/2014 To 07/12/2015	From 08/12/2011 To 07/12/2015
	ASSET REALISATIONS		
100 00	Uncalled Share Capital	NIL	NIL
	Council Refund	NIL	1,750 00
91 66	Cash at Bank	NIL	71 66
275,000 00	Preference	60,694 93	158,206 43
	Bank Interest Net of Tax	111 40	388 63
	Fee for provision of records	NIL	167 00
		<u>60,806 33</u>	<u>160,583 72</u>
	COST OF REALISATIONS		
	Specific Bond	NIL	370 00
	Office Holders Fees	10,808 50	38,505 00
	Office Holders Expenses	51 50	208 61
	Legal Fees Moore Blatch	600 00	600 00
	Corporation Tax	NIL	9 14
	Stationery & Postage	7 00	14 00
	Statutory Advertising	NIL	299 72
		<u>(11,467 00)</u>	<u>(40,006 47)</u>
	UNSECURED CREDITORS		
(1,836 14)	Trade & Expense Creditors	NIL	NIL
Uncertain	Contingent claims	NIL	NIL
(2,009,144 69)	Cadugan Developments Limited Loan	NIL	NIL
(46,141 97)	Sub Contractor Retention Claims	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(1,782,031.14)		<u>49,339 33</u>	<u>120,577.25</u>
	REPRESENTED BY		
	Vat Receivable		826 10
	Current Account		119,751 15
			<u>120,577 25</u>

Porchester Homes Limited in Liquidation

Fourth annual progress report to members and creditors pursuant to Section 104A of
the Insolvency Act 1986

Peter Whalley & Susan Staunton
James Cowper Kreston
Latimer House
5 Cumberland Place
Southampton
SO15 2BH

SUMMARY INFORMATION

The Company	Porchester Homes Limited
Registered Number	04982661
Registered Address	C/o James Cowper Kreston Latimer House 5 Cumberland Place Southampton SO15 2BH
Trading Address	Inhurst House Brimpton Road Baughurst Hampshire RG26 5JJ
Activity of the Company	Property development company
Date of the Liquidation	8 December 2011
Liquidator Details	Peter Whalley & Susan Staunton James Cowper Kreston Latimer House 5 Cumberland Place Southampton SO15 2BH
Date of Liquidators' Appointment	8 December 2011
Changes to Office Holders	N/A
Dividend Prospect	A dividend of approximately 24p/£ to unsecured creditors will be paid to unsecured creditors within the next 3 months

Introduction

This progress report has been prepared in accordance with Rule 4.49C of the Insolvency Rules 1986 to provide creditors with an update on the work undertaken by the joint liquidators during the fourth year of the liquidation.

The following attachments accompany this report:

Appendix A – Receipts and payments account for the period of the liquidation

Appendix B – Statement of remuneration and expenses

Appendix C – Analysis of liquidators' time costs during the period of liquidation

Appendix D – Creditor rights to request information and challenge the liquidators' remuneration & expenses

Preference

As discussed in my previous progress reports, prior to the liquidation the company transferred two properties to a connected company in part-settlement of an intercompany debt. The directors accepted the transfer was preferential under section 239 of the Insolvency Act 1986 and undertook to restore the position to that which it would have been had the transaction not taken place.

The value of the preference was calculated to be £640,000. The beneficiary of the preference is also the majority creditor with approximately 90% of the total creditor value. It was not, therefore, deemed necessary to require repayment of the whole amount to then pay back the majority of the funds by means of a dividend to the unsecured creditors. To restore the position, the recipient of the properties agreed to return £97,511 to the liquidators so that these funds, net of costs, could be distributed amongst the other creditors.

One significant creditor claim, relating to Quay House, Portsmouth, was received. The windows in the property leaked, causing internal damage. The Quay House residents have claimed against Zurich who provided insurance in relation to the property. After lengthy negotiations between the tenants and the insurer's loss adjusters, Cunningham Lindsay, extensive remedial work took place which was completed in the Autumn of 2014.

Cunningham Lindsay have submitted a claim on behalf of Zurich for the cost of the remedial works. The claim was significantly higher than initially estimated, but, following legal advice it has been accepted in full. On agreement of the claim it was necessary to recover monies from the ultimate beneficiary of the preference in order to restore the position and following a request £60,694 was received.

Liquidators' Remuneration

The meeting of creditors held on 8 December 2012 approved the basis of the joint liquidators' remuneration, pursuant to Rule 4.127(2)(b) of the Insolvency Rules 1986, by reference to time properly given by the joint liquidators and their staff.

The time costs for the fourth year of the liquidation total £9,629.50, which represents 41.4 hours at an average hourly charge out rate of £232.52. In the course of the liquidation the joint liquidators have drawn remuneration of £38,505 plus VAT in respect of the £38,601 incurred in time costs. A summary of the major activities that the joint liquidators have undertaken in this period are given above. A report which complies with Statement of Insolvency Practice 9 (SIP9) detailing a breakdown of the joint liquidator's time costs is set out at Appendix C.

In the reporting period the joint liquidators have incurred and drawn disbursements of £208.61.

The joint liquidators have reviewed the work undertaken and reported here and consider this level of costs to be appropriate bearing in mind the nature and complexity of the case.

Charging Policy

The firm's policy is to recharge the following

- a Cash disbursements such as company searches, legal notices, postage, external photocopying and subsistence where appropriate at cost
- b Mileage in relation to the assignment at rates comparable with those advised by motoring organisations for the vehicles used by firm and its staff
- c No charge is made for office overheads, the use of rooms in house, or for incidental expenses

Statutory Rights

Creditors have certain rights to request information and challenge the liquidators' remuneration and expenses. Details of these rights can be found at Appendix C

Creditors

Prescribed Part

No funds are to be set aside under the provisions of Section 176A of the Insolvency Act 1986, as no charges have been registered after the relevant date

Secured and Preferential creditors

The directors statement of affairs indicated that there were no secured or preferential claims and none have been since received

Unsecured creditors

The joint liquidators have to date received unsecured claims totalling £2,479,579.10 from ten creditors in comparison to an estimated level of £2,057,122 as per the Statement of Affairs. The difference is largely explained by the Zurich claim

Dividends

There will be a dividend of approximately 24p/£ will be paid to unsecured creditors in the next three months

Investigation

In their first report the joint liquidators informed you that they had a statutory duty to consider and report to the Insolvency Service on the conduct of any person who had been a director of the Company in the three years preceding their appointment. They also had to consider whether any civil proceedings should be taken against the directors or others for the recovery of company assets or contributions to its estate

The joint liquidators can report that they have complied with their obligations under the Company Directors Disqualification Act 1986. To enable them to do this they have undertaken a review of the Company's records

Conclusion

Should any creditor have any queries regarding this report, please do not hesitate to contact my assistant, Ioana Brutaru, or me



Peter Whalley
Joint Liquidator

22 December 2015

APPENDIX A

Joint Liquidators' Receipts and Payments account From 8 December 2014 to 7 December 2015

	Note	Statement of affairs	From 08/12/2011 To 07/12/2012	From 08/12/2012 To 07/12/2013	From 08/12/2013 To 07/12/2014	From 08/12/2014 To 07/12/2015	From 08/12/2011 To 07/12/2015
		£	£	£	£		£
RECEIPTS							
Uncalled Share Capital		100 00	-	-	-	-	-
Council Refund			1,750 00	-	-	-	1,750 00
Cash at Bank		91 66	71 66	-	-	-	71 66
Preference	1	275 000 00	97,511 50	-	-	60 694 93	158 206 43
Fee for provision of records			-	167 00	-	-	167 00
Bank Interest Net of Tax			124 35	152 88	-	111 40	388 63
			<u>99,457 51</u>	<u>319 88</u>	<u>-</u>	<u>60 806 33</u>	<u>160,583 72</u>
PAYMENTS							
Liquidators' Fees			18,473 50	5 892 50	3 330 50	10 808 50	38,505 00
Liquidators' Expenses			86 60	45 60	24 91	51 50	208 61
Specific Bond			-	-	370 00	-	370 00
Stationery & Postage			-	-	7 00	7 00	14 00
Legal Fees - Moore Blatch			-	-	-	600 00	600 00
Statutory Advertising			223 90	-	75 82	-	299 72
Corporation Tax			-	9 14	-	-	9 14
			<u>18,784 00</u>	<u>5,947 24</u>	<u>3 808 23</u>	<u>11 467 00</u>	<u>40 006 47</u>
BALANCE			<u>80,673 51</u>	<u>(5 627 36)</u>	<u>(3 808 23)</u>	<u>49 339 33</u>	<u>120,577 25</u>
Made up of							
Current Account			76,919 64	(2 043 49)	(4 495 87)	49 370 87	119 751 15
VAT Receivable			3 753 87	(3 583 87)	687 64	(31 54)	826 10
			<u>80 673 51</u>	<u>(5 627 36)</u>	<u>(3 808 23)</u>	<u>49 339 33</u>	<u>120,577 25</u>

Note

1 The £158 206 43 received is the settlement of a preference payment of £640 000 described in more detail in the body of the report

APPENDIX B

**Joint Liquidators' Statement of Remuneration and Expenses
From 8 December 2014 to 7 December 2015**

Account	Incurred In Period	Accrued In Period For Last Period	Accrued In Period	Total In Period
Joint Liquidators' Fees	10,808 50	0 00	0 00	10,808 50
Joint Liquidators' Expenses	58 50	0 00	0 00	58 50
Legal Fees - Moore Blatch	600 00	0 00	0 00	600 00
	11,467 00	0 00	0 00	11,467 00

APPENDIX C

Joint Liquidators' Summary of Post-appointment Time Costs From 8 December 2011 to 7 December 2015

Classification of Work Function	Hours					Total Hours	Time Cost £	Av hourly Rate £
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Accounting - Other	1 50			0 70	0 80	3 00	807 00	269 00
Administration and planning	0 10	1 70		2 80	35 00	39 60	5,200 50	131 33
Appointment notification					0 50	0 50	42 50	85 00
Set up					1 10	1 10	93 50	85 00
Taxes Post Appointment	1 30	1 70		3 10	4 30	10 40	1,836 50	176 59
Bonding		0 20				0 20	70 00	350 00
File reviews	4 70	3 60		2 80	8 40	19 50	5,063 50	259 67
Planning and strategy		0 80		1 30	3 90	6 00	1,649 50	274 92
Records		1 00		2 50	12 90	16 40	2,490 50	151 86
Statutory reporting	2 20	1 00		4 30	4 90	12 40	2,368 00	190 97
Investigations								
Directors investigation	1 00	4 40			15 40	20 80	5,274 50	253 58
Realisation of Assets								
Assets - Debts		0 10		1 40	0 60	2 10	411 00	195 71
Assets - Property	0 30				3 00	3 30	808 50	245 00
Assets - Other	0 30	1 00			2 30	3 60	999 00	277 50
Insuring		0 20			0 30	0 50	146 00	292 00
Legal correspondence re asset sales					0 50	0 50	175 00	350 00
Creditors								
Creditors Unsecured	0 80	15 90		9 90	6 40	33 00	8,395 00	254 39
Reporting to members and creditors		0 10		7 30	7 50	14 90	1,769 00	118 72
Creditors - Committee					0 20	0 20	50 00	250 00
Dividends - Creditors		0 50				0 50	151 50	303 00
Employee		0 60			1 40	2 00	360 00	180 00
Case Specific Matters								
Case specific				4 00		4 00	440 00	110 00
Total Hours /Costs	12 20	32 80		40 10	109 40	194 50	38,601 00	198 46
Total Fees Claimed (£)							38,505 00	

Disbursements

Transaction Date	Type and Purpose	Amount £
10/12/2011	Travel cost	21 18
15/12/2011	Travel cost	21 45
14/01/2012	The Creditor Gateway	5 00
15/01/2012	Travel cost	5 08
15/01/2012	Travel cost	33 89
24/11/2012	Cert Of Postage	15 84
27/01/2013	Cert of Postage	23 76
08/02/2013	The Creditor Gateway	6 00
05/02/2014	Cert of Postage	24 91
03/11/2014	Cert of Postage	26 00
04/02/2015	Cert of postage	25 50
	Total £	208.61

Joint Liquidators' Summary of Time Costs for the Reporting Period
From 8 December 2014 to 7 December 2015

Classification of Work Function	Hours					Total Hours	Time Cost	Av hourly Rate
	Partner	Manager	Senior	Assistant	Support			
							£	£
Administration and Planning								
Administration and planning		1 10			4 40	5 50	898 00	163 27
File reviews	1 30	1 10		1 00	0 80	4 20	1,262 00	300 48
Planning and strategy		0 80		0 40		1 20	368 00	306 67
Taxes Post Appointment	0 10	0 10		0 10	2 30	2 60	335 50	129 04
Bonding		0 10				0 10	35 50	355 00
Statutory reporting	0 80				0 90	1 70	310 00	182 35
Accounting - Other	0 40				0 70	1 10	262 50	238 64
Investigations								
Directors investigation		0 30				0 30	106 50	355 00
Realisation of Assets								
Assets - Debts		0 10		1 40		1 50	343 50	229 00
Assets - Other		0 90			0 40	1 30	361 50	278 08
Insuring		0 20				0 20	71 00	355 00
Creditors								
Reporting to members and creditors					5 50	5 50	550 00	100 00
Creditors Unsecured	0 50	9 10		4 30	0 30	14 20	4,362 50	307 22
Employee		0 60			1 40	2 00	360 00	180 00
Total Hours /Costs	3 10	14 40		7 20	16 70	41 40	9,626 50	232 52
Total Fees Claimed (£)							9,688 50	

The firms charge out rates in the course of the liquidation have been:

Grade of staff	Hourly rate from 8 December 2011	Hourly rate from 1 June 2012	Hourly rate from 1 May 2013	Hourly rate from 1 May 2014	Hourly rate from 11 May 2015
Office holder	350	375	395	435	450
Manager	200-275	250-300	250-315	275-345	275-355
Other grades of staff	85-175	90-185	90-195	100-215	100-220

APPENDIX D

Creditor rights to request information under Rule 4.49E and their right to challenge the liquidator's remuneration & expenses under Rule 4.131

4 49E – Creditors' and members' request for further information

- 1) If –
 - a) Within the period mentioned in paragraph (2)
 - i A secured creditor, or
 - ii An unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - iii Members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - b) With the permission of the court upon an application made within the period mentioned in paragraph (2)–
 - i Any unsecured creditor, or
 - ii Any member of the company in a members' voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B (1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108

- 2) The period referred to in paragraph (1)(a) and (b) is –
 - a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4 108, and
 - b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report of draft report in any other case
- 3) The liquidator complies with this paragraph by either –
 - a) Providing all of the information asked for, or
 - b) So far as the liquidator considers that –
 - i The time or cost of preparation of the information would be excessive, or
 - ii Disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - iii The liquidator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information
- 4) Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of –
 - a) The giving by the liquidator of reasons for not providing all of the information asked for, or
 - b) The expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just
- 5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131 (1B) or 4 148C(2) by such further period as the court thinks just
- 6) This Rule does not apply where the liquidator is the official receiver

4.131 – Creditors' claim that remuneration is or other expenses are excessive

- 1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

1A) Application may be made on the grounds that –

- a) The remuneration charged by the liquidator,
- b) The basis fixed for the liquidators' remuneration under Rule 4 127, or
- c) Expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

1B) The Application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

- 2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

- 3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

- 4) If the court considers the application to be well-founded, it must make one or more of the following orders –

- a) An order reducing the amount of remuneration which the liquidator was entitled to charge,
- b) An order fixing the basis of remuneration at a reduced rate or amount,
- c) An order changing the basis of remuneration,
- d) An order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
- e) An order that the liquidator or the liquidators' personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

And may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

- 5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation