

2.24B

The Insolvency Act 1986

Administrator's progress report

| | |
|--|-----------------------------------|
| Name of Company Montpellier House Estates Limited | Company number 05086570 |
| In the High Court of Justice, Companies Court (full name of court) | Court case number 3540 of 2012 |

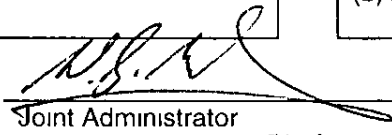
We, William Beach
Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

Phillip Sykes
Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

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

| | |
|-----------------------------|------------------------|
| From (b) 27 October 2012 | To (b) 2 April 2013 |
|-----------------------------|------------------------|

Signed


Joint Administrator

Dated

5 April 2013

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

Bill Beach
Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

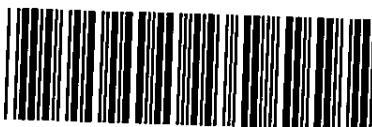
DX Number

020 7334 9191
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

C

THURSDAY



A17

A26300G0

11/04/2013

#81

COMPANIES HOUSE

Strictly Private & Confidential

MONTPELLIER HOUSE ESTATES LIMITED ("THE COMPANY")

Report to the creditors in accordance with Rule 2 47 of the Insolvency Rules 1986

4 April 2013

This report contains 10 pages

Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

Tel 020 7334 9191
Fax 020 7651 1822

Contents

- 1 Statutory information
- 2 Conduct of the administration
- 3 Remuneration
- 4 Creditors' rights
- 5 Liabilities/Distribution to creditors
- 6 Administration extension

Appendices

- | | |
|--------------|--|
| Appendix I | Receipts and payments account for the period 27 October 2012 to 2 April 2013 |
| Appendix II | Breakdown of time costs and category 2 disbursements |
| Appendix III | Schedule of expenses incurred during the period |

This report is intended for use by those parties entitled to a copy thereof under Rule 2.47 of the Insolvency Rules 1986. It may contain information that is privileged confidential or exempt from disclosure and any dissemination distribution or copying of it and its attachments is strictly prohibited.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

William (Bill) Beach and Phillip Sykes are authorised in the UK to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The affairs, business and property of the Company are being managed by the joint administrators' who act as Agents of the Company without personal liability.

STATUTORY INFORMATION

| | |
|-------------------------------|---|
| Company name | Montpellier House Estates Limited |
| Company number | 05086570 |
| Registered office | c/o Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB |
| Court reference | High Court of Justice, Companies Court No 3540 of 2012 |
| Date of appointment | 27 April 2012 |
| Joint administrators | William (Bill) Beach Phillip Sykes |
| | There have been no changes in the office holders |
| Joint administrators' address | 150 Aldersgate Street London EC1A 4AB |
| Paragraph 100(2) statement | The functions and powers of the joint administrators may be exercised by either or both of the joint administrators jointly and severally |
| Appointor | Investec Bank plc ("the Bank") |
| Appointor's address | 2 Gresham Street London EC2V 7QP |

CONDUCT OF THE ADMINISTRATION

- 2 1 A detailed explanation of the background leading up to the appointment of the administrators and the steps taken post appointment was included in the administrators' proposals dated 1 June 2012 and the progress report of 23 November 2012. The purpose of this report is to provide an update on the administration since 24 November 2012.
- 2 2 I was appointed administrator of the Company on 27 April 2012. The administration is due to automatically end on 26 April 2013, and I am proposing to extend the administrators' term of office for a period not exceeding six months under Paragraph 76(2)(b) Schedule B1 of the Insolvency Act 1986 ("the Act").
- 2 3 The reason for the extension relates to the freehold property known as Montpellier House ("the Property"). As advised previously, following a targeted marketing campaign, various parties expressed an interest in purchasing the Property. Following discussions with the Bank an offer was accepted, however, the sale is currently on hold following negotiations with one of the tenants in the Property in respect of a renewal of their lease. It is anticipated that the terms of the new lease will be agreed shortly following which I can proceed with the sale of the Property.
- 2 4 The receipts and payments account attached at Appendix 1 details the realisations made to date in the administration. Further details of these assets are as follows -
- Rent - a total of £45,270 has been collected from the short term leased units.
- Utilities - as advised previously, because of the unusual lay-out of the building, the Company is responsible for paying the electricity and gas charges direct to the utility companies and recovering these costs from the tenants. Montpellier House (2005) Service Management Limited, the managing agent, have been assisting me in this matter and, electricity charges of £23,860 and gas charges of £5,255 have been recovered from the tenants to date.
- Bank rent deposit - as mentioned in my previous report no funds are expected as the amount £81,835 was set off against the Bank's debt prior to administration.
- Payments/costs - Payments made to date are self-explanatory but if any creditors require further clarification please contact the administrators.

3. REMUNERATION

Pre appointment costs

3 1 The administrators' have not incurred any pre appointment time costs

Administrators' remuneration and category 2 disbursements

3 2 At the paragraph 51 meeting of creditors, the following resolutions were passed

- That the remuneration of the joint administrators be fixed by reference to the time properly given by the joint administrators and their staff in attending to matters arising in the administration in accordance with Rule 2 106(2)(b), and
- the administrators be authorised to draw their firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage, mileage and room hire, as and when funds permit

3 3 Pursuant to Rule 2 106(5A) of the Rules, authorisation will be obtained from the Bank, as secured charge holder, for the approval of the administrators' quantum in respect of the remuneration and category 2 disbursements

3 4 The time costs incurred to date have arisen primarily as a result of continued management of the Property including the calculation of utility costs, raising invoices and the collection of payments, dealing with tenant and creditor questions, and liaising with the agent and solicitors in respect of the tenant's new lease issue and current sale of the Property. I have also submitted VAT returns relating to the post appointment period, as well as dealing with the statutory functions required under the Insolvency Act and Rules

3 5 A detailed breakdown of the administrators' time costs and category 2 disbursements together with current charge out rates are attached at Appendix II. To date, no fees or disbursements have been drawn

3 6 Should you wish to receive a copy of "A Creditors' Guide to Administrators' Fees" this is available on the Moore Stephens website <http://www.moorestephens.co.uk/corporaterecovery.aspx> or by requesting a copy from this office in writing or by telephone

Administrators' expenses

3 7 A schedule of all expenses incurred in the administration, together with those incurred since the previous progress report have been detailed at Appendix III. None have been drawn to date

3 8 Expenses incurred to date include agent's and solicitor's fees incurred in respect of the new lease and sale of the Property, and insurance costs. Other expenses noted in Appendix III should be self-explanatory, however, please contact me if you require further information

3 9 No work has been contracted, which could otherwise have been carried out by the administrators and their staff

4 CREDITORS' RIGHTS

4 1 Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor with the permission of the court may request in writing that the joint administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in the progress report

Within 14 days of receipt of the request, we must provide all of the information asked for, except so far as we consider that

- the time or cost of preparation of the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
- we are subject to an obligation of confidentiality in respect of the information

We are also required to give reasons for not providing all of the requested information

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may, within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the joint administrators' remuneration, the remuneration charged, or the expenses incurred by the joint administrators as set out in the progress report are excessive

5 LIABILITIES/DISTRIBUTION TO CREDITORS

5.1 Based on the current offer to purchase the Property it is apparent there will be a shortfall to the Bank under its legal charge. Accordingly, there will be insufficient funds to make a distribution to the Company's unsecured creditors.

6 ADMINISTRATION EXTENSION

6.1 In order to extend the administration, I require the consent of the secured creditor, the Bank, under Paragraph 78(2) of Schedule B1 of the Act. The relevant notice has been sent to the Bank and I await their confirmation.

6.2 I will send an update to creditors advising them of the outcome of the administration extension once this is received.

This concludes the administrators second progress report

Yours faithfully



Bill Beach
Joint Administrator

Montpellier House Estates Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

| Statement of Affairs | | From 27/10/2012 To 02/04/2013 | From 27/04/2012 To 02/04/2013 |
|----------------------|--------------------------------|----------------------------------|----------------------------------|
| | FIXED CHARGE ASSETS | | |
| 1,350,000 00 | Freehold Land & Property | NIL | NIL |
| | Rent Received | 20,355 81 | 45,270 37 |
| | Electricity recovered | 17,233 58 | 25,239 69 |
| | Gas recovered | 4,463 78 | 5,255 11 |
| | Cash at Bank | NIL | 53 41 |
| | Interest net of tax (fix chg) | 2 45 | 4 68 |
| | | <u>42,055 62</u> | <u>75,823 26</u> |
| | FIXED CHARGE COSTS | | |
| | Electricity | 26,750 81 | 52,331 00 |
| | Sundry Expenses | 121 74 | 121 74 |
| | Gas | 12,082 94 | 14,080 75 |
| | Insurance | NIL | 708 67 |
| | Bank charges (fix chg) | 40 00 | 80 00 |
| | | <u>(38,995 49)</u> | <u>(67,322 16)</u> |
| | ASSET REALISATIONS | | |
| 81,835 00 | Bank Rent Deposit | NIL | NIL |
| | | <u>NIL</u> | <u>NIL</u> |
| | COSTS OF ADMINISTRATION | | |
| | Bank Charges | 40 00 | 40 00 |
| | | <u>(40 00)</u> | <u>(40 00)</u> |
| | UNSECURED CREDITORS | | |
| (812,680 00) | Trade & Expense Creditors | NIL | NIL |
| (89,000 00) | HM Revenue & Customs | NIL | NIL |
| | | <u>NIL</u> | <u>NIL</u> |
| | CONTRIBUTORIES | | |
| (200 00) | Ordinary Shareholders | NIL | NIL |
| | | <u>NIL</u> | <u>NIL</u> |
| 529,955 00 | | <u>3,020 13</u> | <u>8,461 10</u> |
| | REPRESENTED BY | | |
| | VAT Receivable Fixed Charge | | 1,545 87 |
| | Bank 2 - Current (Fixed chg) | | 9,963 40 |
| | VAT Control Account | | 1,316 13 |
| | VAT Payable Fixed Charge | | (2,975 89) |
| | Suspense Account | | (1,388 41) |
| | | | <u>8,461 10</u> |

Bill Beach
Joint Administrator

Breakdown of time costs and category 2 disbursements

Montpeiner House Estates Limited (In Administration)

Summary of Moore Stephens' time-costs from 27/04/2012 to 16/11/2012

| | Partner / Associate | Director / Manager | Admin | Support Staff | Total Hours | Time Cost (£) | Av rate £/h |
|--|---------------------|--------------------|------------------|-----------------|---------------|------------------|---------------|
| Statutory compliance administration and planning | 1 20 | 11 45 | 20 50 | 18 90 | 52 05 | 10 274 75 | 197 40 |
| Investigations | | 2 00 | 13 95 | | 15 95 | 2 932 25 | 183 84 |
| Realisation of assets / Trading | | 14 85 | 30 50 | 0 25 | 45 60 | 10 472 25 | 229 65 |
| Realisation of assets (from 30/05/2012) | 1 90 | 11 00 | 10 00 | 1 00 | 23 90 | 6 864 00 | 287 20 |
| Trading (from 30/05/2012) | | 13 75 | 70 00 | 8 00 | 91 75 | 17 023 75 | 185 54 |
| Creditors | | 7 95 | 30 65 | 3 05 | 41 65 | 8 147 00 | 195 61 |
| Tax | | 0 60 | | | 0 60 | 171 00 | 285 00 |
| Total hours | 3 10 | 61 60 | 175 60 | 31 20 | 271 50 | | |
| Total time costs £ | 1 581 00 | 23 656 00 | 27 218 00 | 3 430 00 | | 55 885 00 | 205 84 |

Summary of Moore Stephens' time-costs from 17/11/2012 to 30/03/2013

| | Partner / Associate | Director / Manager | Admin | Support staff | Total hours | Time cost (£) | Av rate £/h |
|--|---------------------|--------------------|------------------|-----------------|---------------|------------------|---------------|
| Statutory compliance administration and planning | 0 30 | 7 50 | 15 25 | 31 15 | 54 20 | 9 180 75 | 169 39 |
| Realisation of assets | 0 30 | 14 20 | 6 60 | | 21 10 | 6 895 00 | 326 78 |
| Trading | | 14 70 | 70 00 | 12 50 | 97 20 | 18 517 50 | 190 51 |
| Creditors | 2 00 | | 13 30 | 1 20 | 16 50 | 3 326 00 | 201 58 |
| Tax | | 0 30 | 2 50 | | 2 80 | 413 50 | 147 68 |
| Total hours | 2 60 | 36 70 | 107 65 | 44 85 | 191 80 | | |
| Total time costs £ | 1 378 00 | 14 648 50 | 17 149 00 | 5 157 25 | | 38 332 75 | 202 16 |

Summary of Moore Stephens' time-costs from 27/04/2012 to 30/03/2013

| | Partner / Associate | Director / Manager | Admin | Support staff | Total hours | Time cost (£) | Av rate £/h |
|--|---------------------|--------------------|------------------|-----------------|---------------|------------------|---------------|
| Statutory compliance administration and planning | 1 50 | 18 95 | 35 75 | 50 05 | 106 25 | 19 455 50 | 183 11 |
| Investigations | | 2 00 | 13 95 | | 15 95 | 2 932 25 | 183 84 |
| Realisation of assets / Trading | | 14 85 | 30 50 | 0 25 | 45 60 | 10 472 25 | 229 65 |
| Realisation of assets (from 30/05/2012) | 2 20 | 25 20 | 16 60 | 1 00 | 45 00 | 13 759 00 | 305 76 |
| Trading (from 30/05/2012) | | 28 45 | 140 00 | 20 50 | 188 95 | 35 541 25 | 188 10 |
| Creditors | 2 00 | 7 95 | 43 95 | 4 25 | 58 15 | 11 473 00 | 197 30 |
| Tax | | 0 90 | 2 50 | | 3 40 | 584 50 | 171 91 |
| Total hours | 5 70 | 98 30 | 283 25 | 76 05 | 463 30 | | |
| Total time costs £ | 2 959 00 | 38 304 50 | 44 367 00 | 8 587 25 | | 94 217 75 | 203 36 |

Total remuneration drawn on account

Nil

Charge out rates -

| Rates effective from | 1st Nov 2012 | 1st Nov 2010 |
|----------------------|--------------|--------------|
| Partner/ Associate | £370-£530 | £355 £510 |
| Manager / Director | £170-£430 | £165 £430 |
| Administrator | £55 £210 | £53-£200 |
| Support | £30 £115 | £30 £110 |

Time charged in 3 minute units or multiples thereof

Examples of work generally undertaken but not limited to

Statutory compliance, administration and planning

- Compliance with other regulatory requirements
- Statutory reporting and compliance
- Case planning
- Administrative set up
- Appointment notification
- Maintenance of records

Realisation of assets

- Identifying securing insuring assets
- Retention of title
- Property business and asset sales
- Debt collection
- Tax claims

Creditors

- Communication with creditors
- Creditors claims

Investigations

- SIP 2 review
- CDDA reports
- Investigating antecedent transactions

Trading

- Management of operations
- Accounting for trading
- On going employee issues

Tax

- Corporation tax returns
- VAT returns
- Capital gains tax calculations

Breakdown of time costs and category 2 disbursements continued

Montpellier House Estates Limited (in Administration)

Summary of Moore Stephens' disbursements

| | Undrawn costs brought forward from previous period(s) £ | This period 17/11/2012 to 30/03/2013 | | Cumulative 27/04/2012 to 30/03/2013 | |
|--------------------------------------|--|---|------------------|--|------------------|
| | | Costs incurred £ | Costs drawn £ | Costs incurred £ | Costs drawn £ |
| Photocopying / printing | 541 30 | 534 40 | Nil | 1 075 70 | Nil |
| Room hire / catering | 102 50 | Nil | Nil | 102 50 | Nil |
| Total | <u>643 80</u> | <u>534 40</u> | <u>Nil</u> | <u>1 178 20</u> | <u>Nil</u> |
| Total undrawn costs to carry forward | | | | <u><u>1 178 20</u></u> | |

Category 2 disbursement rates -

| Type | Rate |
|-------------------------|------------------|
| Photocopying / printing | £0 15 per sheet |
| Room hire | £30 £50 per hour |

Summary of accrued and drawn costs

Montpellier House Estates Limited (In Administration)

| Cost Description | Undrawn costs brought forward from previous period(s) £ | This period 17/11/2012 to 30/03/2013 | | Cumulative 27/04/2012 to 30/03/2013 | |
|--------------------------------------|--|---|------------------|--|------------------|
| | | Costs incurred £ | Costs drawn £ | Costs incurred £ | Costs drawn £ |
| Agents fees & expenses (estimate) | 3 000 00 | 10 000 00 | Nil | 13 000 00 | Nil |
| Legal fees & expenses (estimate) | 1,600 00 | 4 000 00 | Nil | 5 600 00 | Nil |
| Bonding | 80 00 | Nil | Nil | 80 00 | Nil |
| Insurance (estimate) | 4 700 00 | Nil | Nil | 4 700 00 | Nil |
| Postage | 9 61 | Nil | Nil | 9 61 | Nil |
| Statutory advertising | 153 00 | Nil | Nil | 153 00 | Nil |
| Travel | 127 90 | 14 78 | Nil | 142 68 | Nil |
| Subsistence | 13 70 | Nil | Nil | 13 70 | Nil |
| Land registry & company search fees | 25 00 | 16 00 | Nil | 41 00 | Nil |
| Total | 9 709 21 | 14 030 78 | Nil | 23,739 99 | Nil |
| Total undrawn costs to carry forward | | | | 23,739 99 | |