

**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

6384 of 2013

We, Bill Beach  
Moore Stephens LLP  
25 Farringdon Street  
London  
EC4A 4AB

Jeremy Willmont  
Moore Stephens LLP  
150 Aldersgate Street  
London  
EC1A 4AB

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

From


To

(b) Insert date

(b) 26 March 2015

(b) 25 September 2015

Signed

  
Joint Administrator

Dated

23/10/15

**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 p

Jeremy Willmont  
Moore Stephens LLP  
150 Aldersgate Street  
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020 7334 9191  
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LD4

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23/10/2015

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COMPANIES HOUSE

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

**Strictly Private & Confidential**

**MONTPELLIER HOUSE ESTATES LIMITED ("THE COMPANY")**

**Report to the creditors in accordance with Rule 2.47 of the Insolvency Rules 1986**

**23 October 2015**

Moore Stephens LLP  
150 Aldersgate Street  
London  
EC1A 4AB

Tel 020 7334 9191  
Fax 020 7651 1854

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| Appendix II  | Receipts and payments account for the period, 27 April 2013 to 25 September 2015             |
| Appendix III | Breakdown of time costs and category 2 disbursements from 27 April 2013 to 25 September 2015 |
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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.

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.

William (Bill) Beach and Jeremy Willmont are authorised in the UK to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. All of our work is conducted in accordance with the Insolvency Code of Ethics.

## 1 STATUTORY INFORMATION

Company name	Montpellier House Estates Limited
Company number	05086570
Registered office	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB
Court reference	High Court of Justice, Companies Court No 6384 of 2013
Date of appointment	27 April 2013
Joint administrators	William (Bill) Beach Jeremy Willmont  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

## 2 PROGRESS TO DATE

- 2.1 This is the administrators' fifth progress report, covering the period from 26 March 2015 to 25 September 2015
- 2.2 A detailed explanation of the background leading to the appointment of the joint administrators and the steps taken post appointment have been provided to creditors in previous reports, which are available to creditors to download from the Moore Stephens insolvency portal or by contacting this office
- 2.3 The receipts and payments accounts attached at Appendices 1 and 2 detail the asset realisations in the previous administration and in the current administration to date
- 2.4 No assets have been realised in the six month period covered by this report other than a small amount of bank interest
- 2.5 You will be aware that the only matter outstanding to be dealt with related to two claims submitted under the Company's insurance policy prior to the sale of Montpellier House ("the Property") on 5 August 2014. One claim related to the internal repairs to the third floor of the Property and one to the basement damage. We had been advised by our insurance broker that there was unlikely to be any economic benefit to the Company in pursuing these claims
- 2.6 As the purchaser of the Property was incurring the cost of attempting to prove these claims, and in order to expedite matters and enable the affairs of the administration to be brought to an end, the administrators, in the knowledge of the Bank, decided to assign any rights that the Company may have to claim under the insurance policy to the purchaser. The assignment was signed by both parties and sent to the insurers for review. Approval to the assignment was provided by the insurers on 8 April 2015
- 2.7 Having dealt with the insurance claims, the administrators began to finalise matters in the administration including submitting the final corporation tax return and seeking post appointment tax clearance from HM Revenue and Customs ("HMRC"). Tax clearance took some considerable time to obtain from HMRC due to a late filing penalty recorded on their system for the period prior to the administrators' appointment. This penalty was eventually removed and post appointment tax clearance was received on 25 September 2015

## 3 INVESTIGATIONS

- 3.1 An appropriate report/return on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business Innovation & Skills in accordance with the administrators' statutory duties. The content of this report/return is of a confidential nature and cannot be disclosed to third parties

## **4 REMUNERATION**

### **Pre appointment costs and expenses**

4 1 The administrators did not incur time costs prior to their appointment as administrators

### **Administrators' remuneration and category 2 disbursements**

4 2 In accordance with paragraph 52(1) of Schedule B1 of the Insolvency Act 1986 the administrators did not convene a meeting of creditors to consider their proposals

4 3 As no creditor requested an initial meeting, the proposals were deemed to have been approved on 15 October 2013

4 4 In accordance with Rule 2.106(5A) of the Insolvency Rules 1986 ("the Rules"), which deals with the fixing of the administrators' fees, the Bank as the sole secured creditor of the Company, has approved the administrators drawing fees to date of £20,000 plus VAT

4 5 Disbursements, known as category 2 expenses, relating to the administrators' internal costs such as meeting room hire and catering, totalling £102.50 were drawn but are in the process of being refunded back to the Company

4 6 Attached at Appendix III is an analysis of the administrators' time costs and disbursements for the period, 27 April 2013 to 25 September 2015. This shows time costs of £201,001.75 and disbursements of £753.15, together with the firm's current charge out rates

4 7 Time costs incurred to date have arisen primarily as a result of -

- overseeing the management of the Property including issues with the heating system and damaged roof,
- raising invoices and collecting payments from tenants,
- dealing with tenant and creditor enquiries,
- resolving the VAT position with the Company,
- liaising with the agents and solicitors in respect of the new lease of unit 1.1 and land registry restriction concerning the adjacent building, Eagle Tower, as well as the sale of the Property,
- dealing with post sale of Property matters for example, cancelling utility accounts and pursuing the managing agent for payment of the insurance arrears,
- dealing with the assignment of the insurance claims and transfer to the purchaser, and
- statutory functions required under the Insolvency Act and Rules

4 8 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

## **5 EXPENSES**

5 1 A schedule of all expenses incurred in the period has been detailed at Appendix IV

5 2 Payments should be self-explanatory however, it is worth noting that legal fees of £776.60 plus VAT were incurred in this period and relate to the preparation of the insurance deed of assignment

## **6 CREDITORS' RIGHTS**

6 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 which have been itemised in the progress report

- 6 2 Within 14 days of receipt of the request, the joint administrators must provide all of the information asked for, except so far as they 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 if or might reasonably be expected to lead to violence against any person, or
  - they are subject to an obligation of confidentiality in respect of the information
- 6 3 The joint administrators are also required to give reasons for not providing all of the requested information
- 6 4 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
- 7 **LIABILITIES**
- 7 1 The Bank were owed in the region of £940,000 and their debt secured by way of a legal charge and debenture over the Property and other assets of the Company. A sale price of £690,000 was achieved for the Property. The Bank's debt has therefore not been repaid in full and consequently, there are no funds available to distribute to the unsecured creditors
- 7 2 The Bank has been paid dividends totalling £605,000 under their fixed charge security

This concludes the progress report



Neville Side  
For Jeremy Willmont  
Joint Administrator

Appendix I

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

**Statement  
of Affairs**

**From 27/04/2012  
To 26/04/2013**

	<b>FIXED CHARGE ASSETS</b>	
1,350,000 00	Freehold Land & Property	NIL
	Rent Received	48,429 70
	Electricity recovered	26,279 58
	Gas recovered	6,056 08
	Cash at Bank	53 41
	Interest net of tax (fix chg)	5 96
		<u>80,824 73</u>
	<b>FIXED CHARGE COSTS</b>	
	Electricity	57,449 74
	Sundry Expenses	121 74
	Gas	17,591 76
	Insurance	708 67
	Bank charges (fix chg)	80 00
		<u>(75,951 91)</u>
	<b>ASSET REALISATIONS</b>	
81,835 00	Bank Rent Deposit	<u>NIL</u>
		NIL
	<b>COSTS OF ADMINISTRATION</b>	
	Bank Charges	(40 00)
	Cash at bank transfer to NEW adm	(6,857 66)
	Suspense account transfer to NEW adm	1,388 41
	New VAT position transfer to NEW adm	636 43
		<u>(4,872 82)</u>
	<b>UNSECURED CREDITORS</b>	
(812,680 00)	Trade & Expense Creditors	NIL
(89,000 00)	HM Revenue & Customs	<u>NIL</u>
		NIL
	<b>CONTRIBUTORIES</b>	
(200 00)	Ordinary Shareholders	<u>NIL</u>
		NIL
<u>529,955 00</u>		<u><u>NIL</u></u>
	<b>REPRESENTED BY</b>	
		<u><u>NIL</u></u>

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

Statement of affairs	From 26/03/2015 To 25/09/2015	From 27/04/2013 To 25/09/2015
<b>FIXED CHARGE ASSETS</b>		
Cash at bank transfer from ADM	NIL	6,857 66
Suspense account transfer from ADM	NIL	(1,388 41)
Net VAT position transfer from ADM	NIL	(636 43)
1,350,000 00 Sale of freehold property	NIL	690,000 00
Rent received	NIL	20,906 87
Electricity recovered	NIL	97,001 94
Gas recovered	NIL	5,634 57
Insurance repayment	NIL	2,083 33
Interest net of tax	5 98	28 54
	<u>5 98</u>	<u>820,488 07</u>
<b>FIXED CHARGE COSTS</b>		
Agents fees & expenses	NIL	14,434 00
Legal fees & expenses	776 60	45,931 66
Electricity	NIL	100,155 86
Gas	NIL	4,437 65
Insurance	NIL	16,695 74
Utilities deposit (pre appt)	NIL	7,259 87
Bank charges	NIL	274 74
Floating charge shortfall	NIL	20,928 56
	<u>(776 60)</u>	<u>(210,118 08)</u>
<b>FIXED CHARGE CREDITORS</b>		
Investec Bank plc	5,000 00	605,000 00
	<u>(5,000 00)</u>	<u>(605,000 00)</u>
<b>FLOATING CHARGE ASSETS</b>		
81,835 00 Bank rent deposit	NIL	NIL
Funding from Fixed Charge realisations	NIL	20,928 56
Interest gross of tax	0 15	0 15
	<u>0 15</u>	<u>20,928 71</u>
<b>COSTS OF ADMINISTRATION</b>		
Courier charges	NIL	8 08
Bank charges	NIL	0 37
Stationery & postage	NIL	122 08
Statutory advertising	NIL	228 00
Specific penalty bond	NIL	212 50
Travel train/air	NIL	157 18
Land registry & company search fee	NIL	98 00
Administrators' fees	NIL	20,000 00
Category 2 disbursements	NIL	102 50
	<u>NIL</u>	<u>(20,928 71)</u>
<b>CONTRIBUTORIES</b>		
(200 00) Ordinary shareholders	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>529,955 00</b>	<b><u>(5,770 47)</u></b>	<b><u>5,369 99</u></b>
<b>REPRESENTED BY</b>		
Cash at Bank		5,369 99
		<u><u>5,369 99</u></u>



## Breakdown of time costs and category 2 disbursements

## Montpellier House Estates Limited (In Administration)

## Summary of Moore Stephens time-costs from 26/03/2015 to 25/09/2015

	Partner / Associate	Director / Manager	Admin	Support staff	Total hours	Time cost (£)	Av rate £/h
Statutory compliance, administration and planning	0 30	1 60	17 10	6 35	25 35	3,810 25	150 31
Realisation of assets		0 85	3 75		4 60	940 00	204 35
Trading		1 80	2 15		3 95	1,064 00	269 37
Creditors	0 05	0 65	12 90		13 60	2,348 00	172 65
Tax	0 25				0 25	120 00	480 00
<b>Total hours</b>	<b>0 60</b>	<b>4 90</b>	<b>35 90</b>	<b>6 35</b>	<b>47 75</b>		
<b>Total time costs £</b>	<b>288 00</b>	<b>1,960 00</b>	<b>5,304 00</b>	<b>730 25</b>		<b>8,282 25</b>	<b>173 45</b>

## Summary of Moore Stephens time-costs from 27/04/2013 to 25/09/2015

	Partner / Associate	Director / Manager	Admin	Support staff	Total hours	Time cost (£)	Av rate £/h
Statutory compliance, administration and planning	6 75	30 40	91 10	173 35	301 60	49 616 00	164 51
Investigations			0 30	0 50	0 80	105 50	131 88
Realisation of assets	20 60	135 65	147 30	0 65	304 20	88 799 75	291 91
Trading		38 40	210 35		248 75	49,016 00	197 05
Creditors	0 40	0 70	77 70	4 95	83 75	13,464 50	160 77
<b>Total hours</b>	<b>27 75</b>	<b>205 15</b>	<b>526 75</b>	<b>179 45</b>	<b>939 10</b>		
<b>Total time costs £</b>	<b>14 600 00</b>	<b>81,940 00</b>	<b>83,835 50</b>	<b>20,626 25</b>		<b>201,001 75</b>	<b>214 04</b>

Total remuneration drawn on account

20,000 00

## Charge out rates -

Rates effective from	1st-Nov 2012	1st-Nov-2010
Partner/ Associate	£370-£530	£355-£510
Director / Manager	£170-£400	£165-£385
Administrator	£55-£210	£53-£200
Support staff	£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

## Investigations

- SIP 2 review
- CDDA reports
- Investigating antecedent transactions

## Realisation of assets

- Identifying, securing, insuring assets
- Property business and asset sales
- Debt collection

## Trading

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

## Creditors

- Communication with creditors
- Creditors' claims

## 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) £	Costs incurred 26/03/2015 to 25/09/2015 £	Costs drawn This period 26/03/2015 to 25/09/2015 £	Costs incurred £	Cumulative to 25/09/2015 Costs drawn £
Photocopying / printing	570 65	Nil	Nil	570 65	Nil
Room hire and catering	Nil	Nil	Nil	102 50	Nil
Storage	60 00	Nil	Nil	80 00	Nil
Total	<u>630 65</u>	<u>Nil</u>	<u>Nil</u>	<u>753 15</u>	<u>Nil</u>
Total undrawn costs to carry forward					<u><u>753 15</u></u>

## Category 2 disbursement rates -

Type	Rate
Photocopying/printing	£0 15 per sheet
Storage - standard box	£3 90 per box per quarter (min £30 per quarter)

## Summary of accrued and drawn costs

## Montpellier House Estates Limited (In Administration)

Cost Description	Undrawn costs brought forward from previous period(s) £	This period 26/03/2015 to 25/09/2015		Cumulative to 25/09/2015	
		Costs incurred £	Costs drawn £	Costs incurred £	Costs drawn £
Legal fees & expenses (estimate)	Nil	776 60	776 60	45 931 66	45 931 66
Agent's fees and expenses	Nil	Nil	Nil	14 434 00	14 434 00
Insurance	Nil	Nil	Nil	16 695 74	16 695 74
Postage	1 06	11 09	Nil	134 24	122 08
Statutory advertising	Nil	Nil	Nil	228 00	228 00
Specific penalty bond	Nil	Nil	Nil	212 50	212 50
Courier charges	Nil	Nil	Nil	8 08	8 08
Land registry & company search fees	Nil	Nil	Nil	98 00	98 00
Travel	Nil	Nil	Nil	157 18	157 18
Total	1 06	787 69	776 60	77 899 40	77 887 24
Total undrawn costs to carry forward					12 16

## Summary of professional services

Professional advisor	Nature of work	Fee arrangement
GVA / CBRE	Valuers and surveyors	Fixed fee
Dundas and Wilson (now CMS McKenna)	Solicitors	Time costs
JLT Specialty Ltd	Insurance brokers	Risk based premium