

The Insolvency Act 1986

Administrator's progress report

Name of Company
BHSE General Partner Limited

Company number
05151795

In the The High Court of Justice, Chancery Division, Companies Court (full name of court)
--

Court case number 478 of 2012

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

I/We (a)
Philip James Watkins
FRP Advisory LLP
10 Furnival Street
London
EC4A 1AB

Philip Lewis Armstrong
FRP Advisory LLP
10 Furnival Street
London
EC4A 1AB

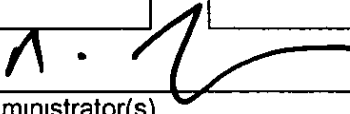
administrator(s) of the above company attach a progress report for the period

(b) Insert date

From
(b) 18 July 2013

To
(b) 17 January 2014

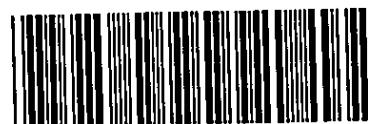
Signed


Joint / Administrator(s)

Dated

21 January 2014

THURSDAY



A39 *A3070XWJ* #269
23/01/2014
COMPANIES HOUSE

BHSE General Partner Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 18/07/2013 To 17/01/2014	From 18/01/2012 To 17/01/2014
SECURED ASSETS		
Freehold Land & Property	NIL	1,846,160 00
Bank Interest - Fixed	48.56	863 00
Sundry Debtors / Receipts	1 50	1,887 05
Rent Receivable	329,688 96	1,777,814 77
	<u>329,739 02</u>	<u>3,626,724 82</u>
COSTS OF REALISATION		
Administrators Fees	41,750 00	140,000 00
Administrators Disbursements	88 63	535 07
Archiving and storage costs	NIL	155.00
Legal Fees	4,723.00	64,426.11
Agents/Valuers Fees	79,552.15	355,337 37
Property expenses	25,412 02	80,395 93
BHSE Stevenage Business Park Mgt Lt	5,240 14	5,240 14
Advertising	1,200.00	4,679.50
Service charges	37,216 50	122,700 99
Tax advice	3,500.00	3,500.00
Bank Charges - Fixed	NIL	150.00
Accounting Services	NIL	21,202 35
Insurance	(5,414.00)	18,499 64
	<u>(193,268.44)</u>	<u>(816,822 10)</u>
SECURED CREDITORS		
Barclays Bank PLC	450,000.00	2,657,000 00
	<u>(450,000.00)</u>	<u>(2,657,000 00)</u>
ASSET REALISATIONS		
Bank Interest Gross	452.20	452 20
	<u>452 20</u>	<u>452.20</u>
	<u>(313,077.22)</u>	<u>153,354.92</u>
REPRESENTED BY		
IB Curr Fxd Rent Dep Re GF 1 Winner		4,605.99
IB Current Fixed		170,285 12
IB Curr Fixed-Rent Deposit GFF501 Els		17,157 27
IB Curr Fixed-Rent Dep Millars Brook		7,961.69
IB Curr Fixed - Rent Dep 507 Elstree		10,091 76
IB Curr Fixed Rent Dep Ut 1 1st Fl Wl		3,678 13
Vat Recoverable - Fixed		21,986 52
Rent Dep Unit 9 FF Wokingham Fixed		5,914 41
Vat Payable - Fixed		(42,774.24)
Rent Deposits - Fixed		(45,551 73)
		<u>153,354.92</u>



FRP Advisory LLP
10 Funnival Street
London
EC4A 1AB
Tel +44 (0)20 3005 4000
Fax +44 (0)20 3005 4400
www.frpadvisory.com

To all creditors

your ref

our ref B1200LON/AO081/J

date 21 January 2014

Please ask for: Alistair Holt-Thomas

Dear Sirs

**BHSE GENERAL PARTNER LIMITED ("BHSE")
BHSE NOMINEE LIMITED
BHSE LIMITED PARTNERSHIP
DEVELOPMENT PARTNERSHIP NO. 1 LIMITED PARTNERSHIP
DEVELOPMENT PARTNERSHIP NO. 1 GENERAL PARTNER LIMITED
DEVELOPMENT PARTNERSHIP NO. 1 NOMINEE LIMITED
(TOGETHER "THE GROUP")
(ALL IN ADMINISTRATION)**

In the The High Court of Justice, Chancery Division, Companies Court, Nos. 478, 486, 480 488, 485 and 482 of 2012 respectively.

Further to my appointment as Joint Administrator of the Group on 18 January 2012, I provide my progress report on the Administration for the period 18 July 2013 to 17 January 2014 ("the period") in accordance with Rule 2.47 of the Insolvency Rules 1986.

This report should be read in conjunction with my previous reports on this matter

I attach

- Appendix A - Statutory information regarding the Group and the appointment of the Administrators
- Appendix B - Forms 2 24B, formal notices of the progress report
- Appendix C - Receipts and payments account
- Appendix D - Details of my firm's time costs and disbursements incurred in the period
- Appendix E - Statement of expenses incurred in the period

1. Progress of the Administration

- 2.1 I attach at Appendix C a receipts and payments account detailing transactions for the period and since my appointment as Administrator.
- 2.2 The Group was involved in the construction and management of a property portfolio owed by BHSE. The properties are all of a light commercial nature located on estates purchased by BHSE for the purpose of the construction and sale of the properties. The principal management of the properties was through seven management companies, none of which are subject to an Administration order.
- 2.3 It should be noted that all of the Group are limited companies except for BHSE Limited Partnership and Development Partnership No 1, which are limited partnerships.

AO081

- 2 4 Rent collected from the various estates during the period totals £330k. Costs associated with managing the estates are set out in the attached receipts and payments summary.
- 2 5 The principal strategy has been to increase rental income across the 5 locations and thus reduce the element of vacant units with their associated outgoings. In conjunction with my agents Re'co Properties, I have been able to increase the number of tenants and thus the level of vacant units has fallen increasing both the rent roll and investment value. There are also further two potential lettings in the course of completion which I will comment upon in my next report.
- 2 6 No sales of freehold plots have occurred in this period although we do have some interest in two of the units.
- 2 7 The period of the Administration was extended with the consent of the secured creditor to 17 July 2013. It was further extended by the High Court on 2 July 2013 for two years until midnight 17 July 2015.
- 2.8 I intend to continue with my strategy as described in my proposals, which has the support and consent of the secured creditor.

2. Investigations

- 3 1 Part of my duties include carrying out proportionate investigations into what assets the Group has, including any potential claims against directors or other parties, and what recoveries could be made. I have reviewed the Group's available books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they have concerning the way in which the Group's business has been conducted. Having considered the information no further investigations or actions were required. My report on the conduct of the directors has been submitted to the Department for Business Innovation and Skills.

3. Estimated Outcome

4 1 *Prescribed Part*

The Administrators have considered the possibility of a prescribed part for unsecured creditors under S176A of the Insolvency Act 1986. There does not appear to be any property of the Group that is not subject to the fixed charge. Therefore there will be no funds available to the prescribed part and consequently no funds will be available to unsecured creditors.

4 2 *Outcome for Secured Creditor*

As at the date of Administration the total debt to the Bank was circa £17m. At the present time we believe it is unlikely that the Bank will be paid in full. Distributions to the Bank of £2,657,000 have been made to date.

4 3 *Outcome for Preferential Creditors*

From the information available it would appear that there are no preferential creditors of the Group (being employees for arrears of pay and holiday pay).

4.4 *Outcome for Unsecured Creditors*

From the current information available, a dividend will not be available to unsecured creditors from the Group.

4. Administrators' Remuneration, Disbursements and Expenses

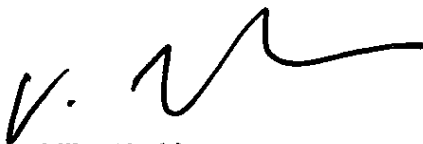
- 6 1 Turning to our own costs in this matter, our remuneration as Administrators is based on computerised records of all time spent on the administration of this case. Matters dealt with during

the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of 6 minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory LLP charge out rates are included at Appendix D. A breakdown of our time costs incurred during the period of this report, (and also since appointment), in accordance with Statement of Insolvency Practice 9 is set out at Appendix D

- 6.2 As the Administrators made a statement under Paragraph 52(1) (b) of Schedule B1 to the Insolvency Act 1986 they were not required to hold a meeting of creditors. As there is no creditors' committee and there was no fee resolution passed at a meeting of creditors, the basis of the Administrators' remuneration is to be agreed in accordance with Rule 2.106(5A) IR1986, by the secured creditors only as there are no preferential creditors.
- 6.3 It should be noted that in this instance there are no floating charge assets with all realisations being fixed charge. It will therefore fall to the fixed chargeholder to agree my remuneration associated with the fixed charge. In agreement with the fixed charge holder, I have drawn fees of £41,750 during the period and to date £150,000 (including pre appointment fees of £10,000) exclusive of VAT
- 6.4 The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Group. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursement incurred during the period of this report are set out in Appendix D
- 6.5 I attach at Appendix E a statement of expenses that have been incurred during the period covered by this report including a cumulative summary of expenses incurred to date.
- 6.6 Creditors have a right to request further information from the Administrators under Rule 2.48A of the Insolvency Rules 1986 and further have a right to challenge the Administrators' remuneration and other expenses, which are first disclosed in this report, under Rule 2.109 of the Insolvency Rules 1986. Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frpadvisor.com/fees-guide.html> and select the one for administrations. Alternatively a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

If you have any queries about this report or the progress of the administration, please do not hesitate to contact Alistair Holt-Thomas at this office on 0203 005 4264.

Dated 21 January 2014



Philip Watkins
Joint Administrator

Licensed in the United Kingdom by the Insolvency Practitioners Association

The Joint Administrators act as agents of the Group and without personal liability.

The affairs, business and property of the Group are being managed by Philip James Watkins and Philip Lewis Armstrong who were appointed Joint Administrators on 18 January 2012.

Statutory Information**Appendix A****BHSE GENERAL PARTNER LIMITED (IN ADMINISTRATION)**

Court in which administration proceedings were brought:	The High Court of Justice, Chancery Division, Companies Court
Court reference number:	478 of 2012
Other trading names:	None
Company number:	05151795
Registered office	10 Furnival Street London EC4A 1YH
Previous registered office	Westbourne House 99 Lidgett Lane Garforth West Yorkshire LS25 1LJ
Business address:	Westbourne House 99 Lidgett Lane Garforth West Yorkshire LS25 1LJ
Administrators' names and addresses.	Philip James Watkins and Philip Lewis Armstrong FRP Advisory 10 Furnival Street London EC4A 1YH
Date of appointment:	18 January 2012
Appointor details	Name Alistair McGill Address 5 West Common West, Bromley, Kent
Extensions to the initial period of appointment	Extended by consent of the secured lender from 18 January 2013 until 17 July 2013. It was further extended by the High Court on 2 July 2013 for two years until midnight 17 July 2015

BHSE NOMINEE LIMITED (IN ADMINISTRATION)

Statutory Information

Court in which administration proceedings were brought	The High Court of Justice, Chancery Division, Companies Court
Court reference number:	480 of 2012
Other trading names:	None
Company number	05257985
Registered office:	10 Fumival Street London EC4A 1YH
Previous registered office	Westbourne House 99 Lidgett Lane Garforth West Yorkshire LS25 1LJ
Business address.	Westbourne House 99 Lidgett Lane Garforth West Yorkshire LS25 1LJ
Administrators' names and addresses:	Philip James Watkins and Philip Lewis Armstrong FRP Advisory 10 Fumival Street London EC4A 1YH
Date of appointment:	18 January 2012
Appointor details	Name Alistair McGill Director Address 5 West Common West, Bromley, Kent
Extensions to the initial period of appointment:	Extended by consent of the secured lender from 18 January 2013 until 17 July 2013. It was further extended by the High Court on 2 July 2013 for two years until midnight 17 July 2015.

The Joint Administrators act jointly and concurrently

Appendix A

BHSE LIMITED PARTNERSHIP (IN ADMINISTRATION)

Statutory Information

Court in which administration proceedings were brought	The High Court of Justice, Chancery Division, Companies Court
Court reference number	486 of 2012
Other trading names	None
Company number.	LP009620
Registered office	10 Fumival Street London EC4A 1YH
Previous registered office:	Westbourne House 99 Lidgett Lane Garforth West Yorkshire LS25 1LJ
Business address	Westbourne House 99 Lidgett Lane Garforth West Yorkshire LS25 1LJ
Administrators' names and addresses:	Philip James Watkins and Philip Lewis Armstrong FRP Advisory 10 Fumival Street London EC4A 1YH
Date of appointment	18 January 2012
Appointor details	Name BHSE General Partner Ltd Address Westbourne House 99 Lidgett Lane Garforth West Yorkshire LS25 1LJ
Extensions to the initial period of appointment:	Extended by consent of the secured lender from 18 January 2013 until 17 July 2013 It was further extended by the High Court on 2 July 2013 for two years until midnight 17 July 2015

The Joint Administrators act jointly and concurrently

Appendix A

DEVELOPMENT PARTNERSHIP NO 1 (IN ADMINISTRATION)

Statutory Information

Court in which administration proceedings were brought	The High Court of Justice, Chancery Division, Companies Court
Court reference number	485 of 2012
Other trading names	None
Company number	LP009169
Registered office	10 Furnival Street London EC4A 1YH
Previous registered office	Westbourne House 99 Lidgett Lane Garforth West Yorkshire LS25 1LJ
Business address	Westbourne House 99 Lidgett Lane Garforth West Yorkshire LS25 1LJ
Administrators' names and addresses:	Philip James Watkins and Philip Lewis Armstrong FRP Advisory 10 Furnival Street London EC4A 1YH
Date of appointment	18 January 2012
Appointor details	Name BHSE General Partner Ltd Address Westbourne House 99 Lidgett Lane Garforth West Yorkshire LS25 1LJ
Extensions to the initial period of appointment:	Extended by consent of the secured lender from 18 January 2013 until 17 July 2013 It was further extended by the High Court on 2 July 2013 for two years until midnight 17 July 2015.

The Joint Administrators act jointly and concurrently

Appendix A

DEVELOPMENT PARTNERSHIP NO 1 GENERAL PARTNER LIMITED (IN ADMINISTRATION)

Statutory Information

Court in which administration proceedings were brought:	The High Court of Justice, Chancery Division, Companies Court
Court reference number	488 of 2012
Other trading names	None
Company number	005151793
Registered office.	10 Furnival Street London EC4A 1YH
Previous registered office	22 Hanover Square, London, W1A 2BN
Business address	22 Hanover Square, London, W1A 2BN
Administrators' names and addresses:	Philip James Watkins and Philip Lewis Armstrong FRP Advisory 10 Furnival Street London EC4A 1YH
Date of appointment	18 January 2012
Appointor details	Name Alistair McGill Director Address 5 West Common West, Bromley, Kent
Extensions to the initial period of appointment	Extended by consent of the secured lender from 18 January 2013 until 17 July 2013 It was further extended by the High Court on 2 July 2013 for two years until midnight 17 July 2015.

The Joint Administrators act jointly and concurrently

DEVELOPMENT PARTNERSHIP NO 1 NOMINEE LIMITED (IN ADMINISTRATION)

Statutory Information

Court in which administration proceedings were brought	The High Court of Justice, Chancery Division, Companies Court
Court reference number	482 of 2012
Other trading names	None
Company number:	05151560
Registered office	10 Furnival Street London EC4A 1YH
Previous registered office.	22 Hanover Square, London, W1A 2BN
Business address.	22 Hanover Square, London, W1A 2BN
Administrators' names and addresses	Philip James Watkins and Philip Lewis Armstrong FRP Advisory 10 Furnival Street London EC4A 1YH
Date of appointment	18 January 2012
Appointor details:	Name Alistair McGill Director Address 5 West Common West, Bromley, Kent
Extensions to the initial period of appointment	Extended by consent of the secured lender from 18 January 2013 until 17 July 2013. It was further extended by the High Court on 2 July 2013 for two years until midnight 17 July 2015.

The Joint Administrators act jointly and concurrently