

The Insolvency Act 1986

**Administrator's progress report**

Name of Company  
Balfour Homes (Chisworth) Limited

Company number.  
05566313

In the:  
Birmingham District Registry  
[full name of court]

Court case number  
8007 of 2010

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

I / We (a) Nigel Price of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row  
Birmingham B2 5LG and Paul Stanley of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3  
4LY

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

(b) Insert dates

from

to

(b) 8 July 2013

(b) 7 January 2014

Signed:

  
Joint / Administrator(s)

Dated:

5/2/14

**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

Begbies Traynor (Central) LLP

10th Floor, Temple Point, 1 Temple Row, Birmingham B2 5LG

Tel Number 0121 200 8150

Fax Number 0121 200 8160

DX Number

You have completed and signed this form please send it to the Registrar of Companies at  
Companies House, Crown Way, Cardiff, CF14 3UZ

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THURSDAY



A03

06/02/2014  
COMPANIES HOUSE

#390

Nigel Price and Paul Stanley were appointed joint administrators on 8 January 2010

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

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## **Balfour Homes (Chisworth) Limited (In Administration)**

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Progress report of the joint administrators pursuant to Rule 2.47 of The Insolvency Rules 1986

Periods: 8 June 2013 to 7 July 2013 and 8 July 2013 to 7 January 2014

## **Important Notice**

This progress report has been produced by the administrators solely to comply with their statutory duty to report to creditors on the progress of the administration. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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## 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Balfour Homes (Chisworth) Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 8 January 2010
"the administrators", "we", "our", "us"	Nigel Price of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and Paul Stanley of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

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## 2. STATUTORY INFORMATION

Name of Company	Balfour Homes (Chisworth) Limited
Trading name(s)	Not applicable
Date of Incorporation	16 September 2005
Company registered number:	05566313
Company registered office	10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG

## 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of administrators	Nigel Price, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and Paul Stanley, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
Date of administrators' appointment	8 January 2010
Date of administrators' resignation.	Not applicable
Court	Birmingham District Registry
Court Case Number:	8007 of 2010
Person(s) making appointment / application	AIB Group (UK) Plc
Acts of the administrators	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
EC Regulation on Insolvency Proceedings	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation
Extensions of the Administration Period	The administration period was extended with the consent of the secured creditor for a period of six months until 8 July 2011 and for a period of two years by order of the court until 8 July 2013. It was further extended by order of the court for two years until 8 July 2015.

## 4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 8 January 2010 to 7 January 2014 incorporating a period account for the period from 8 July 2013 to 7 January 2014. Also attached is a summary of receipts and payments for the period 8 June 2013 to 7 July 2013 as the report circulated to creditors on 8 July 2013 covered the period 8 January 2013 to 7 June 2013 only I will also comment upon those transactions in this unreported period

### RECEIPTS

AIB Group (UK) Plc ("the Bank") have also continued to make further contributions during the period 8 July 2013 to 7 January 2014 to cover the costs incurred in completing and maintaining the development. During the period contributions of £172,444.85 have been made bringing total contributions to £4,674,361.55

### PAYMENTS

#### Kendal Byrne Developments Limited ("Kendal Byrne")

During the period 8 June 2013 to 7 July 2013 a sum of £24,929 was paid to Kendal Byrne against works completed and security provided to the site

Payments to Kendal Byrne during the period 8 July 2013 to 7 January 2014 total £54,716.04 bringing total payments to £374,525.04. These payments are in line with the valuations certificates as issued by Naismiths Limited ("Naismiths") against works completed and security provided for the site.

#### Electricity and Telephone

Electricity charges totalling £5,355.13 have been paid in the period 8 July 2013 to 7 January 2014 bringing total payments to £115,202.69. Telephone charges totalling £409.50 have also been paid in the period relating to phone lines installed in the lifts in Block C. This brings total payments to £1,420.70

#### Marketing

The sum of £400 was paid to Height Advantage and £2,600 to Red Letter Design for production of the sales particulars for Kinderlee Mill. This brings total payments to £3,450

#### Water

Water charges totalling £86.77 relating to the water usage in Blocks A, C and E have been paid in the period of this report bringing total payments to £158.30.

#### Legal Fees and Disbursements

The sums of £7,154.50 in respect of fees, and £103.15 in respect of disbursements were paid to Gateley LLP ("Gateley") for their assistance in preparing documentation for the sale of Kinderlee Mill and other legal matters in the administration

The sums of £8,000 in respect of fees and £28 in respect of disbursements were paid to Kurt Steinart Levy LLP ("Kurts") for their assistance in dealing with the conveyance work entailed in the sale of Kinderlee Mill.

This brings total payments in respect of legal fees to £37,304.49 and disbursements totalling £131.15.

#### Agents Fees

During the period 8 June 2013 to 7 July 2013 a sum of £1,950 was paid to Naismiths

A further sum of £2,625 has been paid to Naismiths in the period 8 July 2013 to 7 January 2014. All payments are in respect of their work as employer's agent. This brings total payments to £228,318

#### Insurance

The sum of £15,337.05 has been paid to AUA Insolvency Risk Services for providing insurance for the site bringing total payments to £119,920.74

The sum of £75,078.90 was paid to Watson Laune Limited and represents the balance due for the defects insurance. This brings total payments to £126,532.82

#### VAT

A sum of £4,679.24 was paid to the Bank during the period. This represents VAT due back to them from the payments detailed above

## 5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our statement of proposals

#### **Secured creditor**

The Bank has a fixed and floating charge over the undertakings and all property and assets of the Company dated 5 June 2006

The Bank also has a legal mortgage dated 5 June 2006 over the land and property at Kinderlee Mill. There is also a second charge in favour of PJKI Limited ("PJKI") over the land and property at Kinderlee Mill. All realisations from the sale of the properties will fall, in the first instance, under the Bank's fixed charge. The insurance refund, as detailed in my report dated 3 February 2012, will fall under their floating charge.

On present information we anticipate a significant shortfall to the Bank under its charge

Accordingly it is anticipated there will be no return to PJKI under their second fixed charge

#### **Preferential creditors**

There are no known preferential creditors.

#### **Prescribed Part for unsecured creditors pursuant to Section 176A of the Act**

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- ☐ 50% of the first £10,000 of net property,
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

An administrator will not be required to set aside the prescribed part of net property if

- ☐ the net property is less than £10,000 and the administrator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or

- the administrator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

On present information we anticipate the net property to be less than the minimum prescribed by the Insolvency Act 1986 (Prescribed Part) Order 2003 and we consider, in accordance with Section 176A(3)(b) of the Act, that the costs of making a distribution of the prescribed part to unsecured creditors would be disproportionate to the benefits

#### Unsecured creditors

As mentioned above, based upon realisations to date and our estimate of future realisations there will be no funds available to enable a dividend to be paid to the unsecured creditors as the costs of distributing a prescribed part fund will be disproportionate to the benefits to unsecured creditors. Accordingly, we do not anticipate any return to this class of creditor

## 6. THE ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

As previously reported our remuneration is fixed by reference to the time properly given by us (as administrators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters arising in the administration and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9), in accordance with our firm's policy, details of which accompanied the *Statement of Proposals of the Joint Administrators for Achieving the Purpose of the Administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986*

The relevant resolutions were approved by the secured creditor on 8 March 2010 pursuant to Rule 2.106 of the Rules.

Our time costs for the period 8 July 2013 to 7 January 2014 total £17,039 which represents 62.80 hours at an average rate of £271.32 per hour. Total time costs incurred from appointment to 7 January 2014 amount to £231,675.25 which represents 877.30 hours at an average rate of £264.08 per hour.

To date we have drawn the total fees in the sum of £100,000 plus disbursements of £551.33 on account which has been approved by the Bank.

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been drawn since the necessary approval was obtained in the total sum of £362.90 are provided in the narrative summary of time costs incurred which is at Appendix 2 which leaves a balance to be drawn of £741.15

The following further information as regards time costs and expenses is set out at Appendix 2

- Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements
- Begbies Traynor (Central) LLP's charge-out rates
- Narrative summary of time costs incurred for the period 8 July 2013 to 7 January 2014
- A cumulative table of time spent and charge out value for the period of the administration, being 8 January 2010 to 7 January 2014
- Table of time spent and charge-out value

In addition, a copy of 'A Creditors' Guide to Administrators' Fees (E&W) 2010' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration

is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides) Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

## 7. ASSETS THAT REMAIN TO BE REALISED

The only known asset of the Company is the development at Kinderlee Mill which is currently under construction. Blocks A, C and E have been completed and Blocks B and D have been 'mothballed' at the Bank's request.

However, the Bank now wishes to find a purchaser for the entire site and complete Blocks B & D. As a consequence, Colliers International ("Colliers") have been marketing the site. A sale was agreed with an unconnected party but this has fallen through so Colliers are in the process of conducting viewings with a view to obtaining alternative offers.

## 8. OTHER RELEVANT INFORMATION

### **Report on Directors conduct**

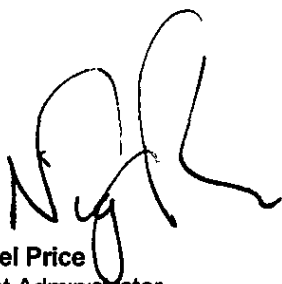
As detailed in our statement of proposals, we have a duty to submit a report to the Department for Business, Innovation and Skills on the conduct of the directors. We have complied with their duties in this respect.

### **Investigations carried out during the period of this report**

As explained in our Statement of Proposals, we have undertaken an initial assessment of the manner in which the business was conducted prior to the administration of the Company and potential recoveries for the estate in this respect. As far as we are aware there are no recoveries to be made from these investigations.

## 9. CONCLUSION

We will report again in approximately six months time or at the conclusion of the administration, whichever is the sooner.



**Nigel Price**  
Joint Administrator

Dated 4 February 2014

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## ACCOUNT OF RECEIPTS AND PAYMENTS

Periods: 8 June 2013 to 7 July 2013 and 8 July 2013 to 7 January 2014

**Balfour Homes (Chisworth) Limited  
(In Administration)**

**Summary of Receipts & Payments**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>From 08/01/2010 To 07/07/2013 (£)</b>	<b>From 08/07/2013 To 07/01/2014 (£)</b>	<b>Total (£)</b>
Contributions from AIB		4,501,916.70	172,444.85	4,674,361.55
Sundry Receipts		1,268.31	0 00	1,268 31
Insurance Refund from Zurich		17,472.72	0 00	17,472 72
		<b>4,520,657.73</b>	<b>172,444.85</b>	<b>4,693,102.58</b>

**PAYMENTS**

Purchases for Kinderlee Mill	224,473.05	0 00	224,473 05
Sundry Items for Kinderlee Mill	6,000.00	0.00	6,000 00
Structural Engineers	9,550 00	0 00	9,550.00
Maintenance Contracts	2,880 00	0 00	2,880 00
Alpha Construction	3,165,011 83	0 00	3,165,011 83
Kendal Byrne	319,809 00	54,716 04	374,525 04
Electricity	109,847.56	5,355.13	115,202 69
Telephone	1,011.20	409.50	1,420 70
Marketing/Advertising	450 00	3,000.00	3,450.00
Landscape Architect	1,500 00	0 00	1,500 00
Contamination Consultant	6,603 20	0.00	6,603 20
Water	71 53	86 77	158 30
Office Holders Fees	100,000.00	0 00	100,000 00
Office Holders Expenses	551 33	0 00	551.33
Legal Disbursements	0 00	131.15	131 15
Legal Fees	22,149 99	15,154.50	37,304 49
Agents/Valuers Fees	225,693 00	2,625 00	228,318.00
Insurance	156,037.61	90,415 95	246,453 56
Security	32,767 00	0.00	32,767.00
VAT due back to AIB from their contribs	91,370.36	4,679 24	96,049.60
Stationery & Postage	15 00	0 00	15 00
Bank Charges	600 00	0 00	600.00
	<b>4,476,391.66</b>	<b>176,573.28</b>	<b>4,652,964.94</b>

<b>Net Receipts/(Payments)</b>	<b>44,266.07</b>	<b>(4,128.43)</b>	<b>40,137.64</b>
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**MADE UP AS FOLLOWS**

Vat Receivable	63,278.31	208.42	63,486.73
Bank 1 Current	39,917.82	(4,181.53)	35,736.29
Fixed Ch Vat Receivable	32,442.93	4,523.92	36,966.85
Vat Control Account	(91,372.99)	(4,679.24)	(96,052.23)
	<b>44,266.07</b>	<b>(4,128.43)</b>	<b>40,137.64</b>

Nigel Price  
Joint Administrator

**Balfour Homes (Chisworth) Limited**  
**(In Administration)**

**JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 08/06/2013 To 07/07/2013 £	From 08/01/2010 To 07/07/2013 £
<b>RECEIPTS</b>			
Contributions from AIB		4,181 53	4,501,916 70
Freehold Land & Property	6,600,000 00	0 00	0 00
Sundry Receipts		0 00	1,268 31
Insurance Refund from Zunch		0 00	17,472 72
Bank Charges		0 00	80 00
Vat Control Account		0 00	91,372 99
		<u>4,181.53</u>	<u>4,612,110 72</u>
<b>PAYMENTS</b>			
Purchases for Kinderlee Mill		0 00	224,473.05
Sundry Items for Kinderlee Mill		0 00	6,000 00
Structural Engineers		0.00	9,550.00
Maintenance Contracts		0 00	2,880 00
Alpha Construction		0 00	3,165,011 83
Kendal Byrne		24,929.00	319,809.00
Electricity		0 00	109,847 56
Telephone		0 00	1,011 20
Marketing/Advertising		0 00	450 00
Landscape Architect		0 00	1,500 00
Contamination Consultant		0 00	6,603 20
Water		0 00	71 53
Office Holders Fees		0 00	100,000 00
Office Holders Expenses		0 00	551 33
Legal Fees		0 00	22,149 99
Agents/Valuers Fees		1,950 00	225,693 00
Insurance		0 00	156,037 61
Security		0 00	32,767.00
AIB Group (UK) Plc	(12,178,253.00)	0.00	0 00
VAT due back to AIB from their contribs		0 00	91,370 36
Stationery & Postage		0 00	15.00
Bank Charges		0 00	680 00
Trade & Expense Creditors	(31,941 00)	0 00	0 00
PJKI Limited Loan Account	(924,392 00)	0 00	0 00
VAT	(3,561 00)	0 00	0 00
Ordinary Shareholders	(1 00)	0 00	0 00
Vat Receivable		0 00	63,278 31
Fixed Ch Vat Receivable		390 00	32,442 93
		<u>27,269 00</u>	<u>4,572,192 90</u>
<b>BALANCE - 07 July 2013</b>			<u><u>39,917.82</u></u>

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## TIME COSTS AND EXPENSES

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value

## **BEGBIES TRAYNOR CHARGING POLICY**

### **INTRODUCTION**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance<sup>2</sup> requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### **OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### **EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes

<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

<sup>2</sup> *Ibid* 1

held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

- Displaying properties for sale on the 'Accelerated Property Sales from Begbies Traynor' section of the Begbies Traynor website is charged at the rate of £75 00 per property;
- *Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

#### **BEGBIES TRAYNOR CHARGE-OUT RATES**

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Birmingham office as at the date of this report are as follows

	<b>Standard 1 May 2011 – until further notice Regional</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Prior to 1 May 2011, the following rates applied

<b>Grade of staff</b>	<b>Charge-out Rate (£ per hour)</b>
Partner 1	395
Partner 2	350
Director	325
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Trainee Administrator	100
Support	100

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

## **SUMMARY OF OFFICE HOLDERS' TIME COSTS**

**CASE NAME** Balfour Homes (Chisworth) Limited  
**CASE TYPE:** ADMINISTRATION  
**OFFICE HOLDERS** Nigel Price AND Paul Stanley  
**DATE OF APPOINTMENT** 8 January 2010

### **1 CASE OVERVIEW**

- 1.1** This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case.
- 1.2 Complexity of the case**  
Our role has been to oversee the works carried out to date at the Kinderlee Mill site as Alpha Construction and Development Limited ("Alpha") were appointed following a tender to complete the works and subsequently Kendal Byrne Developments Limited were appointed following Alpha's departure
- 1.3 Exceptional responsibilities**  
None
- 1.4 The office holders' effectiveness**  
We have overseen the works to date with the assistance of Naismiths Ltd ("Naismiths"), our quantity surveyors
- 1.5 Nature and value of property dealt with by the office holders'**  
It will be necessary to obtain an up-to-date valuation once the site has been completed as the previous valuation by Messrs Reginald Cook & Co of £9million was obtained in December 2009.
- 1.6 Anticipated return to creditors**  
On present information, we anticipate a return to the Bank as secured creditor under their fixed and floating charge however they will suffer a significant shortfall. Accordingly, it is unlikely there will be any return to the second chargeholder or the unsecured creditors
- 1.7 Time costs analysis**  
An analysis of time costs incurred for the period 8 July 2013 to 7 January 2014 together with a cumulative analysis of the time for the period 8 January 2010 to 7 January 2014 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type  
  
The time costs analysis provides details of work undertaken by the office holders and their staff following their appointment only
- 1.8 The views of the creditors**  
A progress report was sent to all creditors on 8 July 2013 and any queries raised by creditors have been dealt with as they have arisen
- 1.9 Approval of fees**  
A resolution was passed to approve the Joint Administrators' fees for the Administration period on a time cost basis on 8 March 2010 by the secured creditor

**1 10 Approval of Expenses and Disbursements**

A resolution was passed to approve the Joint Administrators' disbursements including Category 2 disbursements for the Administration period on 8 March 2010 by the secured creditor

**1.11 Category 2 Disbursements**

In accordance with the resolution obtained in relation to expenses and disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of my appointment

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage – Birmingham to Chisworth	1,104 05
<b>TOTAL</b>	<b>1,104 05</b>

**1 12 Other professionals employed & their costs**

Gateley LLP were instructed to advise on all legal matters and their costs are based on time spent dealing with the case

Naismiths Ltd were instructed to advise us on the tenders for the completion of the site and general construction matters. They have also been appointed as employer's agent for the purpose of the development. Their costs are based on time spent dealing with the case

R N Humphrey Associates Limited have been appointed as CDM co-ordinators for the purpose of the development. Their fixed fee is £10,000 plus VAT

Colliers International ("Colliers") have been instructed to market the site. Their fee will be based on a fixed fee basis

Kuit Steinart Levy LLP ("Kuits") have been instructed to conduct the conveyance work for the sale of Kinderlee Mill. Their fee is based on a fixed fee.

**2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES**

2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 2

2 2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 2

**3. SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT**

Since the date of our last report the following work has been carried out

- Dealing with all statutory matters in connection with the administration;
- Dealing with creditor queries;
- Liaising with the Bank regarding funding of the completion of the site;
- Meetings on site with Naismiths and the Bank for update on progress of the development;
- Liaising with Kuits regarding information needed for sale of site;
- Liaising with Colliers International regarding information for the sales particulars

[illegible]

