

The Insolvency Act 1986

Administrator's progress report

Name of Company
Ashchurch Corston Limited

Company number
06995050

In the
High Court of Justice, London

[full name of court]

Court case number

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

We (a) Rob Caven of Grant Thornton UK LLP, 95 Bothwell Street, Glasgow, G2 7JZ and
Martin Ellis of Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU

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

from

to

(b)12 November 2009

(b)11 May 2010

(b) Insert dates

Signed

Joint / Administrator(s)

Dated 11 June 2010

MONDAY



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21/06/2010

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COMPANIES HOUSE



Grant Thornton

Our Ref RXC/SWP/ST/A30291010/7

To All Known Creditors

Recovery and Reorganisation

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11 June 2010

Dear Sirs

Ashchurch Corston Limited - In Administration ("the Company")

1 Introduction

- 1 1 Following the appointment of Martin Ellis and I as Joint Administrators of the Company on 12 November 2009, I now report on progress of the Administration for the period ended 11 May 2010
- 1 2 This report contains the information required by Rule 2.47 of the Insolvency Rules 1986 (including a receipts and payments account for the period of the report)
- 1 3 In accordance with Paragraph 100 (2) of Schedule B1 to the Insolvency Act 1986, the functions of the Joint Administrators are to be exercised by any or both of them

2 Statutory information

- 2 1 Martin Ellis and I were appointed Joint Administrators of the Company on 12 November 2009 by the Directors of the Company. Notice of Appointment was lodged at High Court, London
- 2 2 The Company's registered office was changed from 58 Davies Street, London, W1K 5JF to c/o Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU. The registered number of the Company is 06995050

Chartered Accountants

Member firm within Grant Thornton International Ltd
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3 Progress report

Disposal of the Company's assets

- 3 1 The Company's only assets were 100% shareholdings in Kenmore Financial Services Limited ("KFSL") and Kenmore Property Management 2 Limited ("KPM2L")
- 3 2 The Joint Administrators' Report and Statement of Proposals dated 5 January 2010 ("the Proposals") intimated that we had negotiated a sale of business in our capacity as Joint Receivers of Kenmore Investments Limited ("KIL") which included the sale of the Company's right, title and interest in the said shares
- 3 3 This transaction concluded on 26 January 2010 and included the transfer of the Company's shares in KFSL and KPM2L to a third party
- 3 4 Consideration for these investments was nominal and was paid direct to KIL as 100% shareholder of the Company (in the absence of any unsecured creditors of the Company and with the agreement of the secured creditor)

Receipts and payments account

- 3 5 A summary of the Joint Administrators' receipts and payments for the period from 12 November 2009 to 11 May 2010 is attached at Appendix A
- 3 6 This shows negative net funds in hand at 11 May 2010 of £886 All costs to date have been funded by way of an inter company loan from KIL

Objectives of Administration

- 3 7 In accordance with the terms of the Proposals, the Joint Administrators have pursued the second objective of Administration, i.e. achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration)
- 3 8 The Joint Administrators consider that this objective has been achieved as a result of the sale of the Company's investments to a third party

4 Administrators' time costs and remuneration

- 4 1 Time costs for the period from 12 November 2009 to 11 May 2010 total £5,210 representing 28 95 hours at an average rate of 180 per hour
- 4 2 Appendix B includes a time analysis which provides details of the activity costs incurred by staff grade for the period from 12 November 2009 to 11 May 2010

- 4 3 In accordance with Rule 2 106 of the Insolvency Rules 1986, the Administrators' require to seek approval from the Bank prior to drawing any fees
- 4 4 At the date of this report the Joint Administrators have not drawn any fees on account and do not consider that there will be sufficient funds available to enable any fees to be drawn against the Company
- 4 5 We have incurred the following disbursements
- Category 1 disbursements out of pocket expenses of £18 80 were reimbursed in the period to 11 May 2010
- 4 6 These disbursements have been reimbursed (without the need for creditor or Court approval) in accordance with Statement of Insolvency Practice 9
- 4 7 A copy of "A Creditors' Guide to Administrators' Remuneration" can be downloaded from the Insolvency Practitioners Association website (www.insolvency-practitioners.org.uk - navigate via "Technical" to "Creditors' Guide to Fees") Alternatively, I can supply this information by post on request

5 Estimated recovery Prospects

General

- 5 1 For the purpose of this report (and given the level of asset recoveries and costs) we have not included an estimated outcome statement

Secured creditor

- 5 2 At the date of appointment the Company was indebted to Bank of Scotland plc ("the Bank") in its capacity as secured creditor in respect of a group facility in the amount of £143,099,000 There were no direct borrowings

Preferential creditors

- 5 3 The Company has no employees and no preferential creditors

Unsecured creditors

- 5 4 On the basis of information available the Company has no unsecured creditors

6 Ending the Administration

- 6 1 The Joint Administrators consider that the second objective of Administration has been achieved as a result of the transfer of the Company's shares to a third party

6 2 Furthermore there are no funds available for distribution to the creditors (if any) at this time

6 3 In accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 (and as detailed in the Proposals which were deemed to be approved) the Company will move from Administration to Dissolution as soon as reasonably practicable

7 Next Report

7 1 The Joint Administrators are required to provide a progress report within one month of the end of the next accounting period (being 11 November 2010), or earlier if the Administration has been finalised

Yours faithfully
For and on behalf of
Ashchurch Corston Limited



Rob Caven
Joint Administrator

The business, affairs and property of the Company are being managed by the Joint Administrators who act as agents of the Company and without incurring personal liability

Appendix A: Receipts and payments account as at 11 May 2010

Ashchurch Corston Limited - In Administration Joint Administrators' Abstract of Receipts and Payments

	From 6-Jan-10 To 11-May-10	From 12-Nov-09 To 11-May-10
Floating Asset Realisations		
Bank Interest	1 00	1 07
Total Floating Asset Realisations	<u>1 00</u>	<u>1 07</u>
Floating Costs of Realisation		
Specific Bond	(36 00)	(36 00)
Administrators' Expenses	(18 80)	(18 80)
Legal Fees	(484 80)	(484 80)
Statutory Advertising	-	(348 00)
Total Floating Costs of Realisation	<u>(539 60)</u>	<u>(887 60)</u>
	<u>(538 60)</u>	<u>(886 53)</u>
Represented by		
VAT Receivable		141 01
Floating Current Account		372 66
Inter Company Loan - KIL		(1,400 20)
		<u>(886 53)</u>

Appendix B: Time and cost analysis as at 11 May 2010

Charge Out Rates

Remuneration is charged on the basis of the time costs of the insolvency practitioner and his staff

We set out below our firm's current charge out rates from 1 July 2009

Staff Category	Hourly Rate (£)
Partner	410 - 510
Director	365 - 400
Associate Director	335
Manager	225 - 330
Assistant Manager	220
Executive	165 - 185
Administrator	110 - 125
Support Staff	85 - 110

Work is allocated to staff members based upon their experience, grade and the complexity of the task involved

Summary of Time Costs Incurred

A summary of our time costs are set out below

Standard	Partner/Director			Associate Director/Manager			Assistant Manager/Executive			Administrator/Support			Total		
	Hrs	£ Avg Hly Rate		Hrs	£ Avg Hly Rate		Hrs	£ Avg Hly Rate		Hrs	£ Avg Hly Rate		Hrs	£ Avg Hly Rate	
Administration and Planning	1 70	697 00	410 00	1 70	563 50	331 47	12 25	2 283 75	186 43	10 10	1 153 50	114 21	25 75	4 697 75	182 44
Creditors										0 90	115 50	128 33	0 90	115 50	128 33
Investigations	0 40	184 00	410 00				0 20	37 00	185 00	1 30	149 50	115 00	1 90	350 50	184 47
Realisation of Assets															
Trading										0 40	46 00	115 00	0 40	46 00	115 00
Total	2 10	881 00	410 00	1 70	563 50	331 47	12 45	2 320 75	186 43	12 70	1 464 50	115 31	28 95	5 209 75	179 88

The time costs are split into 5 standard categories. A guide as to what might be included in each category is as follows:

Administration and planning this includes work such as case planning, case reviewing, administrative set-up, appointment notification, maintenance of records, statutory reporting and compliance

Investigations this includes work such as investigating directors' conduct and antecedent transactions

Realisation of assets this includes work such as identifying, securing and insuring assets, administering retention of title claims, debt collection, property, business and asset sales for property covered by both fixed and floating charges

Trading this includes work such as managing operations, planning strategy, preparing and monitoring trading forecasts, accounting for trading and administering any landlord and employee issues

Creditors this includes work such as communication and meetings with creditors, reviewing and adjudicating on creditors preferential and ordinary unsecured claims, corresponding with secured creditors, reviewing security documentation issues and preparing, recording, reviewing and adjudicating on employees' preferential and unsecured claims

Classification of Disbursements

Category 1 disbursements these generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and storage

Where Category 1 disbursements are paid by the insolvency practitioners' firm these are reimbursed as and when funds are available

Category 2 disbursements these comprise cost allocations which may arise on some Category 1 disbursements where supplied internally typically, items such as room hire and document storage. Also typically included will be routine or more specialist copying or printing, and allocated communication costs provided by the insolvency practitioners or their firm

Category 2 disbursements are paid as and when approval is obtained

Use of agents and subcontractors

Agents and subcontractors are utilised where there is the need for specialist knowledge. Only agents and subcontractors with the appropriate qualifications are employed. Where possible their fees and expenses are agreed in advance