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### 1 Company details

Company number 0 7 1 8 5 8 5 8

Company name in full Mulbury Homes Limited

→ **Filling in this form**  
Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Andrew

Surname Knowles

### 3 Administrator's address

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country United Kingdom

### 4 Administrator's name ①

Full forename(s) Stephen

Surname Clancy

① **Other administrator**  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country United Kingdom

② **Other administrator**  
Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report


### 6 Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2	
To date	<sup>d</sup> 1	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3	

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's signature	Signature X  X								
Signature date	<sup>d</sup> 1	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3	

# AM10

## Notice of administrator's progress report



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Contact name Callum O'Brien

Company name Kroll Advisory Ltd

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- ☐ You have attached the required documents.
- ☐ You have signed the form.



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# Progress Report to Creditors

14 March 2023

## Mulbury Homes Limited (In Administration)

*Joint Administrators' Progress Report for the period from 15 August 2022  
to 14 February 2023.*

**Kroll Advisory Ltd**  
The Chancery  
58 Spring Gardens  
Manchester  
M2 1EW

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## **1. Introduction**

The Joint Administrators were appointed on 15 February 2022 by the Directors of the Company.

This Progress Report provides an update on the Administration of the Company.

The Joint Administrators' have also explained their future strategy for the Administration and how likely it is that they will be able to pay each class of creditor.

You will find other important information in this Progress Report such as the costs the Joint Administrators have incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

Please also note that an important legal notice about this Progress Report to Creditors is attached at Appendix 9.

## **2. Creditor summary**

This Progress Report covers the Reporting Period.

### **Summary of Proposals**

A summary of the Proposals is included at Appendix 2. A copy of the Statement of Proposals is available on the Kroll website at <http://www.kroll.com/ukrestructuring>.

The purpose of an Administration is to achieve one of the following hierarchical objectives:

- Rescuing a Company as a going concern, or
- Achieving a better result for a Company's Creditors as whole than would be likely if a Company were wound up (without first being in Administration), or
- Realising property in order to make a distribution to one or more Secured or Preferential Creditors.

The Joint Administrators' Proposals for achieving the purpose of the Administration, namely achieving a better result for a Company's Creditors as a whole than would be likely if a Company were wound up and realising property in order to make a distribution to one or more Secured or Preferential Creditors, were deemed approved by Creditors on 25 April 2022 without modifications.

In accordance with Paragraph 49(2) of Schedule B1 to the Act, the first objective will not be achieved as there are insufficient funds and assets available to enable the Company to be rescued as a going concern.

There is currently no evidence to suggest that the second objective will be achieved either as it is uncertain whether the level of asset realisations achieved will be sufficient to enable a distribution to the Unsecured Creditors other than by virtue of the Prescribed Part.

Therefore, the Joint Administrators will achieve the third objective as the Joint Administrators anticipate that a distribution will be made to the Preferential Creditors of the Company via the collection of the outstanding debtors and retentions.

### **Progress to Date**

The Company ceased to trade on the Appointment Date and the Joint Administrators have made progress in achieving a sale of the Company's assets on a piecemeal basis.

The Company owns a number of small pieces of freehold/leasehold land and property across the North-West of England. The Joint Administrators have been investigating each site individually to determine the optimal way of maximising realisable value. During the Administration, asset realisations of £950 in relation to the sale at the land at Thelwall Lane, Warrington has been achieved.

The Joint Administrators' have engaged an independent Quantity Surveyor from Matrix Corporate Services Limited ("Matrix") to secure payment of all sums due for works completed to date in relation to each development the Company was working on as well as any retention balances.

As part of the retentions process, the Joint Administrators have received £18,500 from developers as a contribution to our costs incurred in obtaining relevant documentation and drawings for the Company's former projects.

The Joint Administrators have reviewed the Company's various shareholdings and intercompany debtors within the Group and have begun debt collection proceedings in relation to this. To date, £20,000 has been realised in relation to the MEL share sale and £110,000 from a settlement in respect of the Mulbury Warrington Limited intercompany debt.

During the Reporting Period, the Joint Administrators completed on the agreement for the release of the Barrow overage for £100,000.

The Joint Administrators also engaged a third-party consultant in respect of utility infrastructure repayments and received rebates from Virgin Media totalling £22,875 in relation to two of the Company's former developments.

The Joint Administrators have achieved asset realisations in relation to tangible assets of the Company, including the furniture and equipment for £4,050 and realisations of £15,519 has been achieved in respect of the sale of the motor vehicles.

#### **Outcome for Creditors**

At this stage, it is anticipated that there will be insufficient realisations to enable a distribution to MFCL under its fixed charge and it is currently uncertain as to whether there will be sufficient realisations to permit a distribution under its floating charge.

The Joint Administrators are currently in the process of determining whether there remains an outstanding indebtedness to Helena in respect of the fixed charge over the land and buildings known as land on the north side of Town Lane, Southport.

Based on current information, it is uncertain as to whether there will be sufficient realisations to pay a dividend to Unsecured Creditors, other than by virtue of the Prescribed Part.

However as stated earlier the Joint Administrators do anticipate making a distribution to the Preferential Creditors therefore achieving the third hierarchical objective.

Please note, this progress report provides Creditors with an account of the progress of the Administration of the Company in the Reporting Period. The Joint Administrators' Statement of Proposals are available to view at <https://micro.kroll.com/ukrestructuring> and paper copies can be provided free of charge by writing to Callum O'Brien at [Callum.O'Brien@Kroll.com](mailto:Callum.O'Brien@Kroll.com).



### **3. Progress of the Administration**

This section provides an update on the Joint Administrators' strategy for the Administration and progress to date.

#### **3.1 Strategy and progress to date**

Upon appointment, the Joint Administrators undertook a review of the Company's financial and operational position. Consideration was given to trading the Company whilst in Administration, however the Company did not have any viable contracts to obtain the necessary funding in order to generate sufficient revenue to enable a period of trading. The Company therefore ceased to trade on the Appointment Date and the Joint Administrators are therefore looking to achieve a sale of the Company's assets on a piecemeal basis.

The Joint Administrators primary was/is to preserve and enhance the value of the Company's "live" contracts with a view to looking at the possibility of either reaching an agreement with the individual Employer / Developer of each site, for an orderly handover of the site and/or completing the contract wherever possible (subject to the Administrators securing suitable funding) but with the overriding objective of realising value and securing payment of debts that are due to the Company from these parties.

The Company owns a number small freehold/leasehold land and property across the North-West of England. The Joint Administrators have been investigating each site individually to determine the optimal way of maximising realisable value.

It is the Joint Administrators' priority to maximise the level of asset realisations coming into the Administration estate by securing payment of all sums due for works completed to date in relation to each development the Company was working on as well as any retention balances.

There are intercompany and related party debtors which are comprised of all of the costs funded by the Company for other property developments within the Group companies, such as costs for surveyors, architects and planning applications etc. The Joint Administrators have therefore reviewed the Company's various shareholdings and intercompany debtors within the Group, in order to maximise realisations where possible.

The Joint Administrators have achieved other asset realisations in relation to tangible assets of the Company, as well as utility infrastructure repayments and a settlement for the release of an overage agreement.

The Joint Administrators' Proposals for achieving a purpose of the Administration were deemed approved by Creditors on 25 April 2022 without modifications. A copy of a summary of the Proposals can be found in Appendix 2.

#### **3.2 Asset realisations**

Realisations during the Reporting Period are set out in the attached Receipts and Payments account at Appendix 3.

Summaries of the most significant realisations during the Administration are provided overleaf:

### **3.2.1 Freehold and Leasehold Property**

The Company owns a number freehold/leasehold land and property across the North-West of England.

#### Folly Lane, Warrington

The Company owns the freehold title to a residential property at 94 Folly Lane, Warrington, WA5 0NF. This property is subject to a 150-year lease registered at the Land Registry. The Joint Administrators have written to the occupier providing them with the opportunity to purchase the freehold, if the occupier does not wish to purchase, the Joint Administrators will offer this to the open market.

A further update will be provided in the next Progress Report.

#### Land at Oakhouse Park, Walton

The Company owns a shared accessway located on the land of Oakhouse Park, Walton, Liverpool. It is the Joint Administrators understanding that the road benefits the owners of the properties on Clocktower Drive.

The Joint Administrators appointed SDL as auctioneers in order to place the land into an auction. SDL recommended that the land was placed into auction with no reserve price set.

Unfortunately, no bids were received, and SDL agreed to place the land into their rolling monthly online auctions until such time the land is sold.

During the Reporting Period, an interested party submitted an offer which SDL agreed was at an acceptable level. The offer was accepted and solicitors have been instructed to draw up contracts for the parcel of land at Oakhouse Park. Completion of the sale is anticipated within the next few weeks.

Creditors will be updated on the progress of the sale in the next Progress Report.

#### Land at Thelwall Lane, Warrington

As previously reported, the Company also owns a parcel of land located on the north side of Thelwall Lane, Warrington. The Joint Administrators appointed SDL in order to place the land into an auction.

This resulted in the unconditional sale of the land for £950. All consideration has been received and therefore, no further realisations are anticipated from this source.

#### Town Lane, Southport

The Company owns the freehold land on the north side of Town Lane, Southport, which comprises of the common areas on a completed residential housing development.

In addition, Town Lane is subject to two pending applications in relation to a Transfer of Part in respect of Plots 93 to 148, and a dealing with regards to the whole title.

These applications are in the normal course of a property development. Furthermore, there is also a restriction on the title in favour of adjoining land.

The value on this freehold property is currently uncertain and the Joint Administrators are continuing to undertake an investigation into the title to determine any potential value in the land.

A further update will be provided in the next progress report.

#### Willow Road, Weaste

The Company acquired the leasehold interest in the land at Willow Road, Weaste. It is not believed that there is any value in the leasehold interest but the Joint Administrators are continuing to undertake an investigation into the title.

A further update will be provided in the next Progress Report.

#### 23-25 Old Row, Barrow

The Company sold the above site in 2018 to Trafford Housing Trust ("THT"), THT planned to develop the site with the Company to be engaged as the contractor. As part of the sale, an overage was agreed whereby a payment was due back to the Company if gross development value was higher than the base value agreed.

Following the Appointment Date, the Joint Administrators were contacted by THT who advised that they no longer wished to develop the land and that they wanted to proceed to sell the land, however, in order to sell the land, the overage would need to be agreed upon.

An amount of £100,000 was negotiated during the previous reporting period and solicitors were instructed to draw up contracts.

During the Reporting Period, the Joint Administrators completed on the agreement for the release of the Barrow overage and the £100,000 has been received in full.

There are no further realisations anticipated from this source.

### **3.2.2 Book Debtors and Retentions**

The Company acted as the contractor on a several development schemes. The sites the Company was working on were housing association projects and the various RSL's have since secured the sites. The Joint Administrators understand that the RSL's will now go out to tender to complete the projects once the Company's contract is formally terminated. This process has already begun as nine of the seventeen contracts have now been terminated.

The debtors and retentions in respect of each development is being pursued through the Administration. In this regard, the Joint Administrators have engaged Matrix to review all contracts who have opened up a dialogue with all developers for each 'live site' to agree a way forward. It is the Joint Administrators' priority to maximise the level of asset realisations coming into the Administration estate by securing payment of all sums due for works completed to date as well as any retention balances.

During the previous reporting period, Matrix identified a number of the live sites that have been deemed as uncollectable where no further action can be taken for a realisation to be made.

During the Reporting Period, the vast majority of remedial works that Matrix had been waiting on are now ongoing or in place. As such, the target closure date for the contracts is June 2023, at which point the retentions can begin to be pursued.

However, the quantum and timing of any realisation achievable of the remaining sites is still currently uncertain and an update will be provided in the next report to Creditors.

As part of the retentions process, a number of the developers have sought the drawings and supporting documentation to the relevant developments. The Joint Administrators have been liaising with the Company's document hosting provider in order to retrieve the relevant drawings for the developers and the costs related to this has been re-charged to the developer.

As a result, the Joint Administrators have facilitated access to the documentation at a cost of £8,128 but have received a fee of £12,000 from certain developers during the previous reporting period. In the Reporting Period, the Joint Administrators have also received a fee for £6,500 from a developer as a contribution to costs in facilitating access to the documentation and drawings.

It is anticipated that further contributions will be received from other developers in due course.

A further update will be provided in the next Progress Report to Creditors.

### **3.2.3 Intercompany Debtors**

As detailed earlier, the Company forms part of a wider group of companies which trade as residential property developer and contractors.

Based on the books and records, there are intercompany and related party debtors totalling £1,489,943 and corresponding intercompany and related party creditors totalling £2,539,088.

The intercompany loans are made up of all of the costs that the Company has funded for other property developments within the Group companies, such as costs for surveyors, architects and planning applications etc.

The intercompany debtor and creditor balances have been reviewed in detail in order to determine whether there is value to be realised for the benefit of the Administration estate.

#### Mulbury Estates Limited

The Company held a 42% shareholding in an associated company, MEL, which is due to receive planning for a site based at Babylon Lane in Adlington. The Company was due a return under the share agreement and the Joint Administrators have therefore proceeded to sell the shares for an initial consideration £20,000. The sale also included an overage clause whereby should planning permission be granted over and above a certain amount a further payment to the Company will be due up to a maximum additional consideration of £50,000.

This sale was also agreed to be in respect of the intercompany debt of c.£33,000 due to the Company.

The initial consideration of £20,000 has been remitted to the Administration estate during the Administration.

A further update will be provided in the next report.

Mulbury Homes Strategic Land Limited ("MHSL")

The Joint Administrators served demand on MHSL during the previous reporting period for repayment of £292,798 to the Administration estate.

To date, no response has been received and the Joint Administrators will look to take legal action and engage in formal debt recovery proceedings.

A further updated will be provided in the next report.

Mulbury Homes (Grappenhall) Limited ("MHGL")

The Joint Administrators served demand on MHSL during the previous reporting period for repayment of £108,156 to the Administration estate.

To date, no response has been received and the Joint Administrators will look to take legal action and engage in formal debt recovery proceedings.

A further updated will be provided in the next report.

Mulbury Warrington Limited ("MWL")

The Company entered into a joint venture shareholders' agreement with MWL, which was incorporated for the purpose of acquiring and developing a site known as Eccleston Park Golf Course. The property was purchased by MWL on 31 October 2017 through a secured loan for £6 million.

The Joint Administrators completed a reconciliation of the intercompany position between the Company and MWL using the accounts and records of the Company. This has shown that the debt owed by MWL to the Company totalled £1,025,844 which was due and payable.

The Joint Administrators therefore proceeded to serve demand on MWL for repayment of £1,025,844 to the Administration estate.

During the Reporting Period, the Joint Administrators agreed to a settlement for total consideration of £110,000, which has been received into the Administration estate.

A further update will be provided in the next Progress Report to Creditors.

### **3.2.4 Utility infrastructure repayments**

During the Reporting Period, the Joint Administrators engaged a third-party consultant to recover monies owed by utility providers for a number of developments where the amounts charged were in excess of the supply received.

This resulted in realisations of £22,875 for the benefit of the Administration estate.

### **3.2.5 Bank Interest**

A total of £2,053 has been received during the Reporting Period in respect of bank interest, bringing the total amount received to date to £2,352.

### **3.2.6 Other Assets**

The Joint Administrators are not aware of any other assets available to the Administration estate. However, if it transpires that there are additional amounts recoverable from the assets noted above, or any other assets are brought to the attention of the Joint Administrators, then they will be dealt with accordingly.

### **3.2.7 Investigations**

The Joint Administrators reviewed the affairs of the Company to find out if there were any actions which could be taken against third parties to increase recoveries for Creditors.

The Joint Administrators have a statutory obligation to file a report with BEIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators appointment. The Joint Administrators have filed their confidential report with the BEIS regarding the conduct of the Directors of the Company.

There are no outstanding lines of enquiry.

## **3.3 Costs**

Payments made in the Reporting Period are set out in the attached Receipts and Payments account at Appendix 3.

Summaries of the most significant payments during the Administration are provided below:

### **3.3.1 Accountant's Fees**

Champion Consulting Ltd were the Company's pre-appointment accountants and were engaged to prepare and issue P45s to all the employees following their redundancy on the Appointment Date for the sum of £500.

They have also been instructed by the Joint Administrators to carry out the post-appointment Corporation Tax work and have assisted the Directors with the preparation and completion of the SOA.

The cost in relation to this work will total £4,500 plus VAT.

During the Reporting Period, £3,500 plus VAT was paid in relation to the preparation of the Statement of Affairs, bringing the total accountant's fees to £4,000 to date.

### **3.3.2 Consultancy**

The Joint Administrators engaged Utility Infrastructure Consulting Ltd to recover monies owed by utility providers for a number of developments where the amounts charged were in excess of the supply received.

It was agreed that they would receive 50% of the realisations achieved in relation to this. As such, £11,438 was paid during the Reporting Period from realisations of £22,876.

### **3.3.3 Debt Collection Costs**

The Joint Administrators' have engaged Matrix as specialist quantity surveyors to oversee the debtors and retentions collection process.

This remains ongoing, however the Joint Administrators agreed to pay an interim invoice for £5,500 during the previous reporting period and £6,048 plus disbursements of £92 during the Reporting Period.

### **3.3.4 Legal Fees and Disbursements**

During the previous reporting period, the Joint Administrators have incurred and paid legal fees of £2,100 and disbursements of £63 in relation to the sale of Thelwall Lane, Warrington.

In addition, the Joint Administrators have incurred and paid legal fees of £25,000 for assistance with the settlement and release of the Barrow Overage, and fees of £30,005 in respect of the Mulbury Warrington Limited intercompany debtor settlement agreement plus disbursements of £3,880 for associated counsel and court fees.

## **3.4 Fees and expenses**

The Joint Administrators have detailed the costs incurred during the Reporting Period, whether paid or unpaid, in the schedule of expenses attached at Appendix 4.

Summaries of the most significant expenses which have been incurred in the Administration but have not been paid are provided overleaf:

#### Significant expenses incurred but not paid

<b>Joint Administrators' time costs</b>	£279,502	Total time costs incurred in the Administration period is £279,502 (see Appendix 5). No remuneration has been paid during the Reporting Period. See section 6 for further details in relation to the Joint Administrators' fees.
<b>Legal fees and disbursements</b>	£22,115	The Company's legal advisors (Taylors Solicitors) have incurred legal fees of £22,115 in dealing with the Administration extension application and other ad-hoc legal advice.
<b>VAT</b>	£8,275	VAT of £8,275 is payable in relation to contribution received for the developer's drawings.

## 4. Outcome for Creditors

### 4.1 Secured Creditors

#### 4.1.1 Manchester Finance Company Limited ("MFCL")

On 13 December 2019, in consideration for monies advanced to the Company under a loan facility agreement, MCFL were granted a debenture for £1.2 million which confers floating charges over all of the assets of the Company, excluding the property at Town Lane, Southport.

It was previously reported that MFCL held fixed and floating charges over all assets of the Company, excluding the property at Town Lane, Southport, however the assets of the Company are all floating charge assets, therefore there will not be any distributions to MCFL under its fixed charge.

Prior to the Administration, the Company had not made any repayments of interest or capital and the outstanding indebtedness as at the Appointment Date totals £1,637,031, which is subject to accruing interest and charges.

At this stage, it's unlikely that there will be sufficient realisations to permit a distribution under its floating charge, given the high level of HMRC's anticipated Secondary Preferential creditor claim as detailed at section 4.2.

A further update will be provided in the next Progress Report to Creditors.

#### 4.1.2 Barclays Bank Plc ("Barclays")

In consideration for the monies advanced under a CBILS loan facility agreement, the Company granted Barclays a debenture, which confers a fixed and floating charge over all of the assets of the Company. This charge was created on 2 June 2020 and delivered on 3 June 2020.



Prior to the Joint Administrators' appointment, the loan facility of £245,000 was repaid in full and therefore there is no outstanding indebtedness with Barclays.

Barclays has confirmed to the Joint Administrators that there is no outstanding indebtedness against its security and therefore the satisfaction of charge was registered at Companies House on 13 January 2023.

#### **4.1.3 Helena Partnerships Limited ("Helena")**

On 7 July 2017, the Company granted Helena a fixed charge over all land and buildings known as land on the north side of Town Lane, Southport registered at the land registry under title number MS602243. The charge sets out that the Company was contracted to sell to Helena and that the security was for obligations of the Company to Helena.

It is the Joint Administrators' understanding that Helena is owned by Torus Developments, who were one of the developers for the live sites. The development land is owned by the Jephson Second Housing Association with ownership registered the Land Registry.

The Joint Administrators are currently in the process of confirming whether the land has been sold, whilst obtaining the sale agreement in order to determine any obligations under the contract and to see if there remains an outstanding indebtedness to Helena in respect of the fixed charge over the land.

A further update will be provided in the next Progress Report to Creditors.

#### **4.2 Preferential Creditors**

As detailed in the Directors' SOA in the Proposals, the estimated preferential claims total £743,883.

The Company employed 42 members of staff, all of whom were made redundant on the Appointment Date. One employee was retained for one week following the appointment in order to assist with the debtors and retentions and was paid at his usual hourly rate.

The Preferential Creditor claims consist of employee claims for arrears of pay and holiday pay, the majority of which are likely to be subrogated to the BEIS following payment to the employees by the RPS and secondary preferential claims from HMRC which include claims for VAT, PAYE income tax and employee NIC. Secondary preferential claims are paid after the other preferential claims are settled in full.

Whilst HMRC are yet to submit their claim in the Administration with regards to tax liabilities, the RPS have submitted a preferential claim in the Administration for £32,147.

Based on current information, we anticipate there will be sufficient realisations to pay a dividend to the Preferential Creditors. The asset realisation process is still ongoing and the Joint Administrators are therefore unable to confirm at this stage either the quantum and/or timing of any potential distribution until this process is complete. This will be subject to (1) the level of future asset realisations, (2) the costs of the Administration and (3) the level of agreed preferential claims.

#### **4.3 Unsecured Creditors**

According to the Directors' SOA, Unsecured Creditors total £4,597,687 as at the Appointment Date.

During the Administration, unsecured claims received totals £3,773,416.

Based on current information, it is anticipated that there will be insufficient realisations to enable a distribution to the Unsecured Creditors other than by virtue of the Prescribed Part, if applicable.

The quantum and timing of a dividend to Unsecured Creditors, if any, will be subject to future asset realisations, the costs of Administration, and the level of agreed preferential and unsecured claims received.

A further update on dividend prospects will be provided in the next report to Creditors.

#### **4.4 Prescribed Part**

The Prescribed Part is calculated as a percentage of net property, as follows:-

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the Unsecured Creditors would be disproportionate to the benefits.
Net property greater than £10,000:	50% up to £10,000 plus 20% thereafter to a maximum of £800,000.

The Company granted a fixed and floating charge to the MFCL as detailed above. As such, the Prescribed Part provisions will apply.

The anticipated quantum of the Prescribed Part dividend available (if any) to Creditors is currently uncertain, and an update will be provided in the next report to Creditors.

If not already done so, Creditors of the Company should complete the appropriate proof of debt form at Appendix 10 and return this to the Joint Administrators with evidence to support your claim at [Callum.OBrien@kroll.com](mailto:Callum.OBrien@kroll.com) or to Kroll Advisory Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

An update will be provided in the Joint Administrators' next Progress Report to Creditors.

### **5. Other Matters**

#### **5.1 Decision Procedure**

No decision procedure is being sought from Creditors as part of this Progress Report.

#### **5.2 Creditors' Committee**

A Creditors' Committee has not been established as the Joint Administrators received insufficient nominations for a committee to be quorate.

### **5.3 Joint Administrators' Receipts and Payments account**

A detailed Receipts and Payments account for the Reporting Period is shown in Appendix 3, together with a cumulative account for the whole of the Administration.

### **5.4 Creditors' Rights**

Further information regarding the remuneration and expenses of the Joint Administrators, including Creditors' rights to challenge such costs is provided at Appendix 7, Statement of Creditors' Rights.

## **6. Fees, Expenses and Pre-Administration Costs**

### **6.1 Fees and Expenses**

#### **6.1.1 Time costs**

Time has been charged in six-minute units. Details of the time charged for the Reporting Period are attached at Appendix 5.

Time costs incurred in the Reporting Period total £80,919, which represents 163 hours at an average hourly rate of £496.

Time costs incurred during the Administration total £279,502, which represents 625 hours at an average hourly rate of £447.

These time costs have therefore exceeded the estimate provided in the Joint Administrators' Statement of Proposals for £156,077, primarily due to the unanticipated time costs that have been incurred in respect of the freehold and leasehold property and the intercompany position.

On 20 December 2022, the Joint Administrators issued revised resolutions to the Secured and Preferential Creditors seeking an uplift in the fee estimate. Approval has yet to be received.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

#### **6.1.2 Fees**

As noted above, the Joint Administrators are seeking fee approval from the Secured and Preferential Creditors, and that the fee basis is based on time costs.

The Joint Administrators are yet to have received approval for their fees from the Secured Creditor but have received fee approval from the Preferential Creditors.

During the Administration, the Joint Administrators have therefore not drawn any remuneration.

#### **6.1.3 Expenses**

Expenses are any payments from the Administration which are neither an Administrator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements.

Disbursements are payments which are first met by the Administrator and then reimbursed to the Administrator from the Administration.

Expenses are divided into those that do not need approval before they are charged to the Administration (Category 1) and those that do (Category 2).

Category 1 Expenses are payments to persons providing the service to which the expense relates who are not an associate of the Administrator.

Category 2 Expenses are payments to associates or which have an element of shared costs and require approval from creditors in the same manner as the Administrator's remuneration, whether paid directly from the estate or as a disbursement.

The Joint Administrators provided in their Proposals report to Creditors an estimate of expenses for the Administration, totalling £104,337. This was for information purposes only and could possibly change over the course of the Administration.

Appendix 4 details the current update of the expenses estimate.

Appendix 4 also details the expenses incurred and paid for the Reporting Period and the whole of the Administration to date.

In the Reporting Period, Category 1 Expenses of £43,201 were incurred. Payments were made totalling £72,971 during the Reporting Period, which also relates to Category 1 Expenses incurred in the previous reporting period. No Category 2 Expenses were incurred during the Reporting Period.

In the Administration, Category 1 Expenses of £125,373 were incurred of which £119,888 was paid. In the same period, Category 2 Expenses of £251 incurred.

Any Category 2 Expenses will be paid in accordance with the fee approval once received from the Secured Creditor and Preferential Creditors.

#### **6.1.4 Additional information**

Also attached at Appendix 6 is a narrative summary of the work carried out to assist Creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to Creditors.

Details of how to obtain further information relating to the fees and expenses of the Joint Administrators is set out in Appendix 7.

#### **6.2 Pre-Administration costs**

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Company entered Administration but with a view to it doing so.

Neither Andrew Knowles nor Stephen Clancy had any prior relationship with the Company or its Directors.

The Joint Administrators have incurred pre-appointment expenses of £11,489, including disbursements of £51 in respect of travel to the Company's premises, subsistence and Land Registry searches.

A detailed breakdown of Kroll's time costs incurred pre-Administration is detailed at Appendix 5.

Pre-Administration costs	Paid (£)	Unpaid (£)	Total (£)
Kroll Advisory Ltd time costs	0	£9,338	£9,338
Kroll Advisory Ltd disbursements	0	£51	£51
Legal fees – Taylors Solicitors	0	£2,100	£2,100
<b>Total</b>	<b>0</b>	<b>£11,489</b>	<b>£11,489</b>

The time costs and expenses of Kroll remain unpaid, and the Joint Administrators are seeking approval from the Company's Secured and Preferential Creditors to discharge these costs as an expense of the Administration.

## **7. Future strategy**

### **7.1 Future conduct of the Administration**

The Joint Administrators will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to:

- Completing all available asset realisations;
- Paying outstanding costs of the Administration;
- Complete a distribution to the Secured Creditor, if applicable;
- Determining whether there are sufficient funds available to pay a distribution to the Preferential and Unsecured Creditors;
- Dealing with other statutory matters and duties including accounting for VAT and completing corporation tax returns;
- Move the Company to dissolution.

### **7.2 Extension of the Administration**

An Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the Creditors' consent.

The Joint Administrators requested that the Administration be extended for a period of 12 months in order to deal with the final outstanding matters as detailed at section 7.1 above.

Approval was sought from the Secured and Preferential Creditors which was obtained from the Preferential Creditors and MCFL. Although Barclays confirmed no debt was outstanding, pending the satisfaction of charge it also agreed to the extension, however, approval was not received from Helena Partnership.

As approval was not obtained from all of the relevant Creditors, the Joint Administrators had no alternative option other than to make an application to Court for the extension of the Administration for a period of 12 months. Approval to the extension was granted by the Court on 19 January 2023.

The Administration therefore has a revised automatic end date of 14 February 2024.

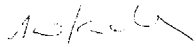
A notice of the extension has been made available for viewing and downloading from the Website at <https://micro.kroll.com/ukrestructuring/cases?caseId=1769>.

If you would prefer to be sent a paper copy, please contact Callum O'Brien of this office.

### **7.3 Future reporting**

The Joint Administrators will provide a further Progress Report within one month of every six months of the Appointment Date, or earlier if the Administration has been completed prior to that time.

If you require further information or assistance, please do not hesitate to contact Callum O'Brien.



**Andrew Knowles**  
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Andrew Knowles and Stephen Clancy, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

## Appendix 1 – Statutory information

Company information		
Company and trading name	Mulbury Homes Limited	
Date of incorporation	11 March 2010	
Registered Number	07185858	
Company Director(s)	Gregory James Mulligan Wallace Martin Bury	
Company Secretary	N/A	
Shareholders	Gregory James Mulligan – 50% Shareholding Wallace Martin Bury – 50% Shareholding	
Trading address	Great Oak Farm Mag Lane Lymm Cheshire WA13 0TF	
Registered office	<b>Current:</b> c/o Kroll Advisory Ltd. The Chancery 58 Spring Gardens Manchester M2 1EW	<b>Former:</b> Great Oak Farm Mag Lane Lymm Cheshire WA13 0TF
Any Other trading names	N/A	

#### Administration information

<b>Administration Appointment</b>	The Administration appointment granted in the High Court of Justice, Business and Property Court in Manchester, CR-2022-MAN-000096
<b>Appointor</b>	Directors
<b>Date of Appointment</b>	15 February 2022
<b>Joint Administrators</b>	Andrew Knowles and Stephen Clancy
<b>Original Purpose</b>	Realising property in order to make a distribution to one or more Secured or Preferential Creditors in accordance with Paragraph 3(1)(b) of the Act.
<b>Functions</b>	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1
<b>Current Administration Expiry Date</b>	14 February 2024
<b>Prescribed Part</b>	The Prescribed Part is applicable in this case. It has been taken into account when determining the dividend prospects for Unsecured Creditors (Section 7).
<b>Application of EC Regulations</b>	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.



## **Appendix 2 – Approved Proposals**

The Joint Administrators proposed the following:

### **9.4.1 General**

- To continue to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect;
- To do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion, consider desirable or expedient in order to achieve the purpose of the Administration;
- To investigate and, if appropriate, pursue any claims the Company may have for the benefit of the Company's Creditors; and
- Seek an extension to the Administration period if considered necessary.

### **9.4.2 Distributions**

- To make distributions to the Secured and Preferential Creditors where funds allow;
- To make distributions to the Unsecured Creditors from the Prescribed Part, where applicable.
- To make further distributions to the Unsecured Creditors over and above the Prescribed Part, if funds become available and apply to court for authority to do so, where applicable.

### **9.4.3 End of Administration**

That the Joint Administrators might use any or a combination of the following exit route strategies in order to bring the Administration to an end:

- Apply to Court for the Administration order to cease to have effect from a specified time and for the return of control to the Directors;
- Place the Company into Creditors' Voluntary Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Andrew Knowles and Stephen Clancy of Kroll would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. The Creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
- Petition the Court for a winding-up order placing the Company into Compulsory Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Andrew Knowles and Stephen Clancy of Kroll would act as Joint Liquidators should the Company be placed into Compulsory Liquidation without further recourse to Creditors. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;

- Take the necessary steps to give notice of move from Administration to dissolution with the Registrar of Companies because (1) the Company has no remaining property which might permit a distribution to its Creditors, and (2) all outstanding matters have been satisfactorily completed.

Alternatively, the Joint Administrators may allow the Administration to end automatically.

The Joint Administrators will be seeking specific agreement to the following Proposals from the Secured and Preferential Creditors, which do not form part of these Proposals.

#### **9.4.4 Remuneration and pre-Administration costs**

- That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.
- That the Joint Administrators' Fee Estimate provided in Appendix 5 in the total sum of £156,077, is approved;
- That the Joint Administrators be authorised to pay the following expenses to associates in dealing with the Administration ("Category 2 Expenses"):
  - Mileage allowance payments to staff at the rate of 45p per mile;
  - Travel, accommodation and subsistence payments for staff; and
  - Statutory bonding fees.
- That the Joint Administrators be authorised to pay the following expenses in respect of shared or allocated costs in dealing with the Administration ("Category 2 Expenses"):
- That the unpaid pre-Administration costs totalling £11,489, as detailed in the Joint Administrators' statement of pre-Administration costs, is approved for payment as an expense of the Administration.
- Where a Creditors' Committee is formed, the Joint Administrator's will seek to obtain approval from the Creditors' Committee.

#### **9.4.5 Discharge of liability**

- That the Joint Administrators be discharged from all liability in respect of any actions as Joint Administrators upon filing their final Receipts and Payments account with the Registrar of Companies or their appointment otherwise ceasing.
- Where a Creditors' Committee is formed, the Joint Administrator's will seek to obtain approval from the Creditors' Committee.

### Appendix 3 – Receipts and Payments account

**Mulbury Homes Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 15/08/2022 To 14/02/2023 £	From 15/02/2022 To 14/02/2023 £
SECURED ASSETS		
Freehold Land & Property	NIL	950.00
Purchaser's contributions to costs	NIL	4,368.00
Gross bank interest - fixed account	10.70	12.47
	10.70	5,330.47
COSTS OF REALISATION		
Legal Fees	NIL	2,100.00
Legal Disbursements	NIL	63.00
Auctioneer's Fees	NIL	2,268.00
Property Planning Costs	NIL	1,900.00
	NIL	(6,331.00)
ASSET REALISATIONS		
Bank Interest Gross	2,042.74	2,339.65
Barrow - Overage Release	100,000.00	100,000.00
Cash at Bank	NIL	92,913.69
DVLA Refunds	NIL	183.32
Employer Contribution to Drawings	6,500.00	18,500.00
Furniture & Equipment	NIL	4,050.00
Intercompany - Mulbury Warrington Lt	110,000.00	110,000.00
Motor Vehicles	NIL	15,519.20
Mulbury Estates Share Sale	NIL	20,000.00
Utilities Refund	NIL	2,674.13
Utility Infrastructure Repayments	22,875.00	22,875.00
	241,417.74	389,054.99
COST OF REALISATIONS		
Accountants Fees	3,500.00	4,000.00
Agents/Valuers Fees	NIL	3,145.00
Bank Charges	9.50	20.15
Consultancy	11,437.50	11,437.50
Debt Collection Costs	6,047.50	11,547.50
Debt Collection Disbursements	91.50	91.50
Dochosting - Drawings	NIL	8,128.00
Insurance of Assets	NIL	489.03
Legal Disbursements	3,880.00	3,880.00
Legal Fees	55,005.00	55,005.00
Public Relations	NIL	2,275.00
Re-Direction of Mail	NIL	216.00
Security	NIL	10,327.47
Statutory Advertising	NIL	103.50
Storage Costs	NIL	1,150.21
Wages & Salaries	NIL	1,741.25
	(79,971.00)	(113,557.11)
	<b>161,457.44</b>	<b>274,497.35</b>
REPRESENTED BY		
CIS Deductions		6,862.50
Fixed bank account		899.47
Fixed charge VAT control account		2,065.48

**Mulbury Homes Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 15/08/2022 To 14/02/2023 £	From 15/02/2022 To 14/02/2023 £
REPRESENTED BY CONTINUED		
Floating/main current account		254,040.76
General VAT control account		1,521.90
VAT payable		(8,275.00)
VAT Receivable		17,382.24
		<b>274,497.35</b>

## Appendix 4 – Analysis of Expenses Incurred

### Joint Administrators' Expenses: comparison with estimate

Expenses	Original expenses estimate £	Actual expenses incurred in the Reporting Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Agents' and valuers' costs	3,145	0	3,145	The agent's fees are in respect of ADA Support for collecting, backing-up and disposing of electrical equipment, and Wignall Brownlow in completing a valuation, collection and sale of other tangible assets.
Accounting fees	5,000	3,500	4,000	
Advertising	104	0	104	
Bonding	225	0	225	
Business mail redirection	216	0	216	
Insurance	489	0	489	
Legal costs and disbursements	11,500	22,115	61,310	The legal costs are in respect of Bermans completing a security review and Taylors providing ad-hoc legal advice, assisting with asset realisations in respect of the properties and debtors and preparing the court application for the Administration extension.
				The estimated expenses have been exceeded due to the various position with the sale of properties that were unknown at this time. Furthermore, the intercompany is more extensive following investigations.
Mileage & travel	138	0	214	
Security	10,327	0	10,327	
Public Relations	2,275	0	2,275	
Quantity Surveyor	65,500	0	5,310	
Storage	1,514	0	1,150	
Subsistence	31	0	31	
Wages	1,741	0	1,741	
<b>TOTAL</b>	<b>102,205</b>	<b>68,422</b>	<b>68,422</b>	

### Notes

The above costs exclude VAT.

## Joint Administrators' Expenses: Category 1 and Category 2

Category 1 Expenses			Reporting Period		Cumulative Period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
ADA Support	Collection, backing-up and disposal of electrical equipment	Fixed fee	0	0	1,400	1,400
AON UK Limited	Statutory bond premium	Fixed fee	0	0	225	0
AUA Insolvency Risk Services Limited	Insurance of assets	Fixed premium	0	0	489	489
Barclays Bank plc	Bank charges	As incurred	9	9	20	20
Bermans	Solicitors – completing a security review and offering validity advice	Fixed fee	0	0	1,500	0
Champion Consulting Ltd	Accountants who prepared P45s, SOA and are assisting in post-appointment tax compliance	Fixed fee	3,500	3,500	4,000	4,000
City of Liverpool Security Limited	Security for the live development sites	As incurred for each site	0	0	10,327	10,327
Courts Advertising Limited	Statutory advertising of Administration appointment in the London Gazette	Fixed fee per advert	0	0	104	104
Dochosting Data Management Ltd	Provide hosting service for specific drawings for the developers	As incurred	0	0	8,128	8,128
Matrix Corporate (Services) Ltd	Quantity surveying fees in respect of book debts and retentions	% of book debt collections and retentions	6,139	6,139	11,639	11,639
Nigel Pearce	Services to assist in collating information on	Basic wage on hourly rate	0	0	1,741	1,741

	debtors and retentions					
Royal Mail Group Ltd	Business mail redirection	Fixed fee per period	0	0	216	216
SDL Property Auctions	Auctioneering of Thelwall Lane	As incurred	0	0	2,268	2,268
Spreckley Partners Limited	Public relations	Fixed fee	0	0	2,275	2,275
Taylors Solicitors	Solicitors – legal advice on appointment, debtors, property and other ad-hoc legal matters	Time costs and disbursements	22,115	58,885	61,310	61,048
Total Data Management Ltd	Storage of company records	Fixed fee per box	0	0	1,150	1,150
Utility Infrastructure Consulting Ltd	Consultancy costs	50% of realisations	11,438	11,438	11,438	11,438
Wignall Brownlow LLP	Agents – valuations, collection and sale of tangible assets	Fixed fee plus 10% on commission	0	0	1,745	1,745
WSP UK Ltd	Property planning costs	Fixed fee	0	0	5,398	1,900
<b>Total</b>			<b>43,201</b>	<b>72,971</b>	<b>125,373</b>	<b>119,888</b>



Category 2 Expenses			Reporting Period		Cumulative Period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Kroll Advisory Ltd	Staff mileage and travel to site to deal with Administration matters	45p per mile	0	0	214	0
Kroll Advisory Ltd	Reimbursement of food expenses for staff on site whilst attending to Administration matters	Fixed fee	0	0	31	0
Land Registry	Land registry title searches	Fixed fee	0	0	6	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>251</b>	<b>0</b>

## Notes

The above costs exclude VAT.

The Joint Administrators' choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.

Kroll Advisory Ltd, being the employer of the Joint Administrators and the staff working on the Administration, is considered an associate of the Administrators.

It is considered that these expenses are fair and reasonable and proportionate to the Administration.

The Joint Administrators have the authority to pay Category 1 Expenses without the need for any prior approval from the creditors of the Company.

Category 2 Expenses are to be approved in the same manner as the Joint Administrators' remuneration.

## **Appendix 5 – Analysis of time charged**

### **Joint Administrators' Fees**

Refer to the table below for a detailed breakdown on the Joint Administrators' time and cost summary in accordance with SIP 9.

150538 MULBURY HOMES LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 07/02/2022 to 14/02/2022

ADP-Admin. - Pre Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Cashiering & accounting	0.00	0.00	0.30	0.00	0.00	0.30	99.00	330.00
Dealing with notice of intention to appoint	0.00	0.50	0.00	0.00	0.00	0.50	195.00	390.00
Strategy planning & control (incl engagement financial control)	0.30	6.00	7.50	1.00	0.00	14.80	5,755.00	388.85
<b>Creditors</b>								
Non Pref Creditors / Employee claims handling	0.00	0.00	1.30	0.00	0.00	1.30	429.00	330.00
<b>Realisation of Assets</b>								
Sale of business	4.40	0.00	0.00	0.00	0.00	4.40	2,860.00	650.00
<b>Total Hours:</b>	<b>4.70</b>	<b>6.50</b>	<b>9.10</b>	<b>1.00</b>	<b>0.00</b>	<b>21.30</b>		<b>438.40</b>
<b>Total Fees Claimed: £</b>	<b>3,055.00</b>	<b>3,130.00</b>	<b>3,003.00</b>	<b>150.00</b>	<b>0.00</b>		<b>9,338.00</b>	

150538 MULBURY HOMES LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 15/08/2022 to 14/02/2023

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	2.90	1.00	1.15	0.00	0.00	5.05	2,782.00	550.89
Cashiering & accounting	0.00	1.70	4.85	2.50	0.00	9.05	2,928.50	323.59
Dealings w/ directors & management (inc associated updates/reporting)	2.50	5.00	0.30	0.00	0.00	7.80	4,099.00	525.51
IPS set up & maintenance	0.00	0.00	0.05	0.00	0.00	0.05	16.50	330.00
Insurance	0.00	0.00	0.30	0.00	0.00	0.30	99.00	330.00
Statutory matters (Meetings & Reports & Notices)	12.60	17.75	8.30	0.00	0.00	38.65	19,636.50	508.06
Strategy planning & control (incl engagement financial control)	27.40	33.50	9.00	0.00	0.00	69.90	39,140.50	559.95
Tax Compliance / Planning	0.00	0.00	0.60	0.00	0.00	0.60	198.00	330.00
<b>Creditors</b>								
Dealings with creditors and employees	0.00	0.25	3.00	0.40	0.00	3.65	1,147.50	314.38
Non Pref Creditors / Employee claims handling	0.00	0.00	1.30	0.00	0.00	1.30	429.00	330.00
Secured Creditors	0.00	2.20	6.55	0.00	0.00	8.75	3,189.50	364.51
<b>Investigations</b>								
CDDA & reports & Communication	0.00	1.00	0.00	0.00	0.00	1.00	390.00	390.00
Financial review and investigations (S238/239 etc)	0.00	3.00	0.55	0.00	0.00	3.55	1,802.00	507.61
<b>Realisation of Assets</b>								
Book debts	0.00	6.25	2.80	0.00	0.00	9.05	3,489.00	385.52
Freehold and Leasehold Property	0.00	2.00	1.80	0.00	0.00	3.80	1,374.00	361.58
Other Intangible Assets	0.00	0.00	0.60	0.00	0.00	0.60	198.00	330.00
<b>Total Hours:</b>	<b>45.40</b>	<b>73.65</b>	<b>41.15</b>	<b>2.90</b>	<b>0.00</b>	<b>163.10</b>		<b>496.13</b>
<b>Total Fees Claimed: £</b>	<b>29,510.00</b>	<b>37,269.50</b>	<b>13,579.50</b>	<b>560.00</b>	<b>0.00</b>		<b>80,919.00</b>	

## ANALYSIS OF TIME COSTS FOR THE PERIOD 15/02/2022 to 14/02/2023

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	12.20	3.90	2.50	0.75	0.00	19.35	10,711.50	553.57
Cashiering & accounting	0.00	11.00	14.25	12.20	0.00	37.45	12,128.50	323.86
Dealings w/ directors & management (inc associated updates/reporting)	2.50	8.00	1.80	0.75	0.00	13.05	5,876.50	450.31
IPS set up & maintenance	0.00	0.00	0.05	3.05	0.00	3.10	474.00	152.90
Insurance	0.00	0.00	3.60	0.00	0.00	3.60	1,188.00	330.00
Statement of affairs	0.00	0.50	2.80	0.00	0.00	3.30	1,119.00	339.09
Statutory matters (Meetings & Reports & Notices)	18.30	38.00	21.95	16.85	0.00	95.10	40,092.00	421.58
Strategy planning & control (incl engagement financial control)	86.35	150.75	26.80	7.75	0.00	271.65	146,559.00	539.51
Tax Compliance / Planning	0.00	0.25	1.95	1.65	0.00	3.85	988.50	256.75
<b>Creditors</b>								
Dealings with creditors and employees	0.00	3.15	13.25	22.60	0.00	39.00	8,991.00	230.54
Non Pref Creditor claims adjudication & dist'n	0.00	0.00	0.20	0.00	0.00	0.20	66.00	330.00
Non Pref Creditors / Employee claims handling	0.00	5.85	13.10	0.00	0.00	18.95	7,174.00	378.58
Pref claims adjudication & distribution	0.00	0.00	0.50	0.50	0.00	1.00	240.00	240.00
Secured Creditors	0.00	2.20	8.75	0.00	0.00	10.95	3,915.50	357.58
<b>Investigations</b>								
CDDA & reports & Communication	0.00	2.25	3.45	7.75	0.00	13.45	3,178.50	236.32
Financial review and investigations (S238/239 etc)	1.50	5.50	2.55	3.15	0.00	12.70	5,309.50	418.07
<b>Realisation of Assets</b>								
Book debts	3.50	16.75	15.10	0.00	0.00	35.35	15,023.00	424.98
Freehold and Leasehold Property	1.75	12.85	6.80	0.00	0.00	21.40	8,595.50	401.66
Hire Purchase and Lease Assets	0.00	0.00	3.40	0.00	0.00	3.40	1,122.00	330.00
Other Intangible Assets	0.00	0.25	6.40	0.00	0.00	6.65	2,209.50	332.26
Other Tangible Assets	0.00	0.00	3.60	0.00	0.00	3.60	1,188.00	330.00
Plant & Machinery & Fixtures & Motor Vehicles	0.00	1.50	4.25	0.00	0.00	5.75	1,987.50	345.65
Sale of business	2.10	0.00	0.00	0.00	0.00	2.10	1,365.00	650.00
<b>Total Hours:</b>	<b>128.20</b>	<b>262.70</b>	<b>157.05</b>	<b>77.00</b>	<b>0.00</b>	<b>624.95</b>		<b>447.24</b>
<b>Total Fees Claimed: £</b>	<b>83,330.00</b>		<b>51,826.50</b>	<b>12,111.00</b>	<b>0.00</b>		<b>279,502.00</b>	

## Appendix 6 – Narrative of work carried out for the Reporting Period

The key areas of work have been:

### SIP 9 narrative for the Reporting Period

#### Administration and planning

- Monitoring and reviewing the Administration strategy;
- Briefing staff on the Administration strategy and matters in relation to workstreams;
- Regular case management and reviewing of process including regular team update meetings and calls;
- Meeting with management to review and update strategy and monitor progress;
- Reviewing and authorising junior staff correspondence and other work;
- Dealing with queries arising during the appointment;
- Reviewing matters affecting the outcome of the Administration;
- Allocating and managing staff / case resourcing and budgeting exercises and reviews;
- Liaising with legal advisors regarding various instructions, including agreeing content of engagement letters; and
- Complying with internal filing and information recording practices, including documenting strategy decisions.

#### Creditors

- Updating the list of Unsecured Creditors;
- Responding to enquiries from Creditors regarding the Administration and submission of their claims;
- Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records; and
- Drafting progress statutory progress reports.
- Providing written and oral updates to the Secured Creditors regarding the progress of the Administration and cases strategy; and
- Filing notice of the extension of the Administration.

#### Investigations

- Managing and reviewing the Company books and records;
- Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation;
- Obtaining records from third parties;
- Conducting interviews with counterparties and officeholders;
- Enquiring with counterparties who has raised disputes against the Company;
- Reviewing pre-appointment transactions; and
- Documenting investigations.

Statutory and compliance	<ul style="list-style-type: none"><li>• Ensuring compliance with all statutory obligations within the relevant timescales;</li><li>• Uploading information to the Creditors' Website;</li><li>• Drafting and publishing Progress Reports;</li><li>• Running decision procedures;</li><li>• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9;</li><li>• Monitoring the fees estimate; and</li><li>• Monitoring the expenses estimate.</li></ul>
Cashiering	<ul style="list-style-type: none"><li>• Preparing statutory Receipts and Payments accounts;</li><li>• Raising payments for Category 1 and Category 2 Expenses;</li><li>• Completing journals for receipt of funds from asset realisations; and</li><li>• Renewing bonding and complying with statutory requirements.</li></ul>
Asset realisations	<ul style="list-style-type: none"><li>• Liaising with agents regarding the sale of assets;</li><li>• Reviewing outstanding debtors and retentions and management of debt collection strategy with the Quantity Surveyor;</li><li>• Seeking legal advice in relation to intercompany debtors and the freehold and leasehold property;</li><li>• Negotiating settlement agreements for the Mulbury Warrington Limited intercompany debt and Barrow Overage release;</li><li>• Liaising with the auctioneer agents;</li><li>• Liaising with third parties regarding costs incurred;</li><li>• Reviewing and agreeing invoices;</li><li>• Reviewing costs incurred to ensure recorded accurately; and</li><li>• Arranging payments to agents and solicitors in a timely manner.</li></ul>
Tax	<ul style="list-style-type: none"><li>• Analysing and considering the tax effects of asset sales;</li><li>• Working on tax returns relating to the periods affected by the Administrator;</li><li>• Analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements; and</li><li>• Dealing with post appointment tax compliance.</li></ul>

## **Appendix 7 – Statement of Creditors' rights**

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)*

*Section or paragraph numbers refer to Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Callum O'Brien at [Callum.O'Brien@kroll.com](mailto:Callum.O'Brien@kroll.com).

### **Information for Creditors on remuneration and expenses of Administrators**

Information regarding the fees and expenses of Administrators, including details of the expenses policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "Administration: A Creditor's Guide to Insolvency Practitioner Fees". This can be viewed and downloaded from the website at:

<https://www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets>

Should you require a copy, please contact this office.

### **Creditors' requests for further information**

If you would like to request more information about the Joint Administrators' remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from Unsecured Creditors must be made with the concurrence of at least 5% in value of Unsecured Creditors (including, the Unsecured Creditor making the request) or with the permission of the Court.

### **Creditors' right to challenge our remuneration and expenses**

If you wish to challenge the basis of the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications are by Unsecured Creditors (including the Unsecured Creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Callum O'Brien at [callum.obrien@kroll.com](mailto:callum.obrien@kroll.com) or at Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW.



## Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents / Wignall Brownlow	Wignall Brownlow LLP, being independent agents who were instructed to value and sell the assets of the Company
the Appointment Date	15 February 2022, being the date of appointment of the Joint Administrators
the Bank	Barclays Bank Plc, with whom the Company banked (and the holder of a fixed and floating charge over the Company's assets)
BEIS	The department for Business, Energy & Industrial Strategy
Category 1 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to persons providing the service to which the expense relates and who are not an associate of the Administrator. These expenses can be paid without prior approval
Category 2 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to associates or where there is an element of shared costs. Such expenses require approval by creditors before payment
CBILS	Coronavirus Business Interruption Loan Scheme
the Company	Mulbury Homes Limited (In Administration) (Company Number: 07185858)
the Cumulative Period	The period from 15 February 2022 to 14 February 2023
the Directors	Gregory James Mulligan and Wallace Martin Bury are the directors of the Company
DVLA	Driver and Vehicle Licensing Agency
EC Regulation	EC Regulation on Insolvency Proceedings 2000
Helena	Helena Partnerships Limited
HMRC	HM Revenue and Customs
the Joint Administrators	Andrew Knowles and Stephen Clancy of Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW
Kroll	Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW

Word or Phrase	Definition
MEL	Mulbury Estates Limited
MFCL	Manchester Finance Company Limited
Preferential Creditor/s	A creditor with a claim that ranks in priority to other unsecured creditors, to floating charge holders and the prescribed part. Preferential debts are either 'ordinary', such as certain employee claims, or 'secondary', such as HMRC's claims for VAT and PAYE income tax, which will rank for payment after the ordinary preferential claims are paid in full.
the Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to Unsecured Creditors
the Reporting Period	The period from 15 August 2022 to 14 February 2023
RPS	Redundancy Payments Service
RSL	Registered Social Landlord
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
SDL	SDL Property Auctions, auctioneers appointed in respect of the sale of certain assets
the Secured Creditors	Helena Partnerships Limited, the holder of a fixed and floating charge over the Company's assets Manchester Finance Company Limited, the holder of a floating charge over the Company's assets
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and expenses
SOA	Statement of Affairs, documentation to be supplied by the Directors outlining the Company's financial position as at the Appointment Date

## **Appendix 9 – Notice about this report**

This report has been prepared by Andrew Knowles and Stephen Clancy, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of any financial interest in the Company or any other company in the same group.

Any estimated outcomes for Creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for Creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Andrew William Knowles and Stephen Gerard Clancy are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Kroll Advisory Ltd does not assume any responsibility and will not accept any liability to any person in respect of this Progress Report or the conduct of the Administration.

**Appendix 10 – Proof of Debt Form**

## PROOF OF DEBT - GENERAL FORM

<b>Mulbury Homes Limited – In Administration</b> <b>Company Registration No. 07185858</b>	
Date of Administration: 15 February 2022	
1.	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)
2.	Address of Creditor for correspondence  <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Contact telephone number of creditor</div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Email address of creditor</div>
REF	
3.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25
4.	Details of any documents by reference to which the debt can be substantiated (please attach)
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7.	Particulars of any security held, the value of the security, and the date it was given
8.	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates
9.	Signature of creditor or person authorised to act on his behalf
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Name in BLOCK LETTERS</div> <div style="width: 45%;">DATE</div> </div>
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Are you the sole member of the creditor?</div> <div style="width: 45%;">YES / NO</div> </div>
	Position with or in relation to creditor  <div style="border-top: 1px dashed black; margin-top: 10px;"></div> Address of person signing (if different from 2 above)
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Admitted to vote for £</div> <div style="width: 45%;">Admitted for dividend for £</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Date</div> <div style="width: 45%;">Date</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Administrator</div> <div style="width: 45%;">Administrator</div> </div>	