

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 7 2 3 0 4 0 0

Company name in full Ashley House (Capital Projects) Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice the Business and Property

Courts in Leeds

Court case number 0 0 0 9 0 4 - 2 0 2 0

3 Administrator's name

Full forename(s) Julian

Surname Pitts

4 Administrator's address

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode L S 1 2 H J

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

5**Administrator's name ①**

Full forename(s)

Bob

Surname

Maxwell

① Other administrator

Use this section to tell us about another administrator.

6**Administrator's address ②**

Building name/number

Fourth Floor

Street

Toronto Square

Post town

Toronto Street

County/Region

Leeds

Postcode

L S 1 2 H J

Country

② Other administrator

Use this section to tell us about another administrator.

7**Appointor/applicant's name**

Give the name of the person who made the appointment or the administration application.

Full forename(s)

Surname

8**Proposed liquidator's name**

Full forename(s)

Julian

Surname

Pitts

Insolvency practitioner number

0 0 7 8 5 1

9**Proposed liquidator's address**

Building name/number

Fourth Floor

Street

Toronto Square

Post town

Toronto Street

County/Region

Leeds

Postcode

L S 1 2 H J

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name^①

Full forename(s)

Bob

Surname

Maxwell

Insolvency practitioner
number

0 0 9 1 8 5

① Other liquidatorUse this section to tell us about
another liquidator.**11 Proposed liquidator's address^②**

Building name/number

Fourth Floor

Street

Toronto Square

Post town

Toronto Street

County/Region

Leeds

Postcode

L S 1 2 H J

Country

② Other liquidatorUse this section to tell us about
another liquidator.**12 Period of progress report**

From date

^d2 ^d1 ^m0 ^m6 ^y2 ^y0 ^y2 ^y1

To date

^d1 ^d6 ^m1 ^m2 ^y2 ^y0 ^y2 ^y1**13 Final progress report**☒ I have attached a copy of the final progress report.**14 Sign and date**Administrator's
signature

Signature

X



X

Signature date

^d1 ^d6 ^m1 ^m2 ^y2 ^y0 ^y2 ^y1

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **William Baxter**

Company name **Begbies Traynor (Central) LLP**

Address **Fourth Floor**

Toronto Square

Post town **Toronto Street**

County/Region **Leeds**

Postcode **L S 1 2 H J**

Country

DX

Telephone **0113 244 0044**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Julian Pitts and Bob Maxwell appointed joint administrators on 21 December 2020

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.

Ashley House (Capital Projects) Ltd (In Administration)

Final Progress Report of the joint administrators

Period: 21 June 2021 to 15 December 2021

Important Notice

This final 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.

Contents

- ❑ Interpretation
- ❑ Statutory information
- ❑ Details of appointment of administrators
- ❑ Progress during the period
- ❑ Outcome for creditors
- ❑ Administrators' proposals
- ❑ Summary of steps taken during the administration
- ❑ Remuneration and expenses
- ❑ Expenses
- ❑ Creditors' rights
- ❑ Assets that remain to be realised
- ❑ Other relevant information
- ❑ Appendices
 - 1. Account of receipts and payments
 - 2. Summary of administrators' proposals, including major amendments to, and deviations from them
 - 3. Time costs and expenses
 - 4. Statement of expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Ashley House (Capital Projects) Ltd (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 21 December 2020
"the administrators", "we", "our", "us"	Julian Pitts of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Bob Maxwell of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (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.

2. STATUTORY INFORMATION

Name of Company	Ashley House (Capital Projects) Ltd
Trading name:	Ashley House (Capital Projects) Ltd
Date of Incorporation:	21 April 2010
Company registered number:	07230400
Company registered office:	168 Birmingham Road, Shenstone Wood End, Lichfield, WS14 0NX

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of administrators:	Julian Pitts, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Bob Maxwell, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
Date of appointment:	21 December 2020
Date of resignation:	N/A
Court:	High Court of Justice the Business and Property Courts in Leeds
Court Case Number:	000904-2020
Person making appointment:	Directors on behalf of the Company
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.
EU Regulation on Insolvency Proceedings:	Regulation (EU) No 2015/848 of the European Parliament and of the Council applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.
Extensions of the administration period	There have been no extensions to the administration period.

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 21 June 2021 to 15 December 2021.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 3. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment.

The details below relate to the work undertaken in the period of the report only. Our previous report contains details of the work undertaken since our appointment.

General case administration and planning

We have continued to ensure that we have an accurate and complete records of how the case is being administered, including fully documenting the reasons for any decisions that have been made. This includes completion of checklists and case reviews. The electronic case files have been maintained and managed.

Internal meetings have been held with the case staff to discuss the strategy in order to progress the case to closure.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progressing of the administration, which ensures that the joint administrators and their staff carry out their work to high professional standards.

Compliance with the Insolvency Act, Rules and best practice

During the period of this report we have produced our six-monthly progress report setting out details of the administration, the work undertaken and still to be undertaken and the anticipated outcome for creditors.

Our cashiers have spent time in reconciling the bank account and processing receipts and payments.

Work has been undertaken to progress the case to closure, including a closure review together with the completion of closure formalities and preparing the final progress report and supporting documentation.

This work does not benefit creditors financially, but it is necessary in accordance with the Insolvency Act, Rules and best practice.

Realisation of assets

Sutton in Ashfield

As advised in our previous progress report, the land at Sutton in Ashfield was sold at auction for the sum of £91,620. The sum realised was significantly higher than the guide price anticipated.

Hunmanby

We have continued to liaise with our agents, Eddisons Commercial Limited ("Eddisons") in respect of the sale of the land at Hunmanby. Eddisons were in discussions with two interested parties who both expressed an interest in purchasing the land.

One of the parties has submitted planning permission on the adjoining land to Hunmanby and would have the intention of using the Company's land as potential parking. This party has however advised that they will not offer anything higher than £50,000 to purchase the land and if they were to increase their offer it would be subject to them obtaining the planning permission on the adjoining land.

We understand that the second party's intention was to obtain planning permission on the land but no such planning application has yet been undertaken. We have also been advised by the party that they have had various conversations with the Local Council, who have stated that the

hedging that sounds the land is subject to some sort of protection, although this has not been verified, which may have an impact when trying to obtain planning. No offer has been received from this party and one is not expected in the short term.

In the meantime, we have received an offer from the previous landowner to purchase the land for the sum of £80,000, which our agents recommended be accepted. This offer has been accepted and is progressing and will now complete in the subsequent liquidation.

The work carried out above is beneficial to the secured and unsecured creditors of the Company as it is anticipated that the secured creditor will receive a distribution following the sale of the Hunmanby land and the unsecured creditors will receive a distribution from the monies held (less costs of realisation and administration expenses) from the sale of the Sutton in Ashfield land.

Dealing with all creditors' claims (including employees), correspondence and distributions

We have continued to deal with creditors' queries as and when received. We have provided the secured creditor with an update in respect of the Hunmanby land and in particular the offer received in order to obtain approval of the same. The secured creditor has been provided regulator updates when required.

This work is beneficial to the creditors as it provides update on the progress of the administration, there is however no financial benefit to creditors.

Other matters which includes seeking decision of creditors via deemed consent procedure and/or decision procedures, tax, litigation, pensions and travel

We have dealt with the administration final tax and VAT position.

This work is of no financial benefit to the creditors.

5. OUTCOME FOR CREDITORS

Secured creditor

It is anticipated that Invescare Limited ("Invescare") will receive a dividend distribution following the sale of the land at Hunmanby however it is not anticipated that the sale proceeds from the sale of the Hunmanby land will be sufficient to discharge the Company's indebtedness to Invescare in full.

Invescare have a legal charge in its favour over the land at Hunmanby and a guarantee provided by the Company in respect of any debt due to Invescare from its parent company, Ashley House Plc.

It is not anticipated that Invescare will receive any distribution from the administration of Ashley House Plc although it is anticipated to receive a payment towards its indebtedness from the sale of the land owned by AH Scarborough Health Park Limited ("AHSHP") pursuant to its second ranking charge and a guarantee provided by AHSHP.

Preferential creditors

There are no known preferential claims.

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

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

There are sufficient realisations for a dividend to be paid to the unsecured creditors which will be paid by the subsequently appointed liquidators.

Exit from administration

Once the Notice of move from administration to creditors' voluntary liquidation (Form AM22) has been registered at Companies House (which we anticipate shortly), our appointment as administrators will cease to have effect and the Company will be deemed to be subject to creditors' voluntary liquidation with the former administrators acting in the capacity as joint liquidators of the Company.

6. ADMINISTRATORS' PROPOSALS

Attached at Appendix 2 is a summary of our proposals as approved by decision of creditors via deemed consent procedure.

7. SUMMARY OF STEPS TAKEN DURING THE ADMINISTRATION

Full details of the steps taken during the period of the Administration have been provided in our statement of proposals dated 8 February 2021 and our progress report dated 14 July 2021. A summary of the principal steps taken in the period and details of our subsequent actions are detailed below.

We have a statutory obligation to undertake on appointment and therefore the necessary documents were filed with the Registrar of Companies and notice of our appointment advertised in the London Gazette. Formal notice of our appointment was also sent to the Company.

We have corresponded with all professional and financial advisors of the Company in order to ascertain information they may holding respect of the Company.

We prepared and sent out proposals to provide creditors with a detailed explanation of the reasons for the failure of the Company, the progress made during the administration and setting out the work which would be undertaken in order to achieve the objective of the administration.

Upon appointment we instructed our agents to provide valuation and marketing advice in respect of the two pieces of land owned by the Company. Following this, the Sutton in Ashfield land was placed into auction for sale and the sum of £91,620 realised, a sum significantly higher than valued.

In relation to the land at Hunmanby, we have spent time liaising with agents and interested parties in respect of the offers received as well as ensuring that the secured creditor has been kept fully informed.

We submitted an online conduct report in accordance with the Company Directors Disqualification Act. We carried out an initial analysis of the Company's records and examined the conduct of the Company and its directors in order to identify what assets may be available for realising, including any actions against directors or other parties which may lead to further recoveries into the estate. No actions were identified that required pursuing further.

We have prepared the case for closure, dealing with the closure formalities and preparing this final report.

8. REMUNERATION & EXPENSES

Our remuneration has been fixed by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters as set out in the fees estimate.

We are also authorised to draw expenses for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, details of which accompanied the Statement of proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

Our time costs for the period from 21 June 2021 to 15 December 2021 amount to £22,880 which represents 56 hours at an average rate of £408 per hour.

The following further information in relation to our time costs and expenses is set out at Appendix 3:

- ☐ Time Costs Analysis for the period 21 June 2021 to 15 December 2021
- ☐ Begbies Traynor (Central) LLP's charging policy

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

To 15 December 2021, we have drawn the total sum of £34,127 on account of our remuneration, against total time costs of £53,563 incurred since the date of our appointment. In addition to the time costs information disclosed at Appendix 2 for the period since our last progress report, our previous progress report contained details of the time costs we had incurred as at the date of that report.

What was the anticipated payment for administering the case in full and did the joint administrators receive that payment?

We estimated that the cost of administering the case would be in the region of £34,127, and subsequently you provided approval for us to draw our remuneration up to that level. We anticipated that the remuneration actually drawn would be in the region of £34,127 based on the value of assets to realise and the estimated costs to be discharged.

Details of what remuneration has been drawn is detailed above. All additional costs incurred over and above what has been approved are to be written off.

However, please note that should there be additional or unexpected asset realisations, we will look to draw further remuneration from those too, capped at the level that the creditors have approved.

Category 1 Expenses

To 15 December 2021, we have also drawn expenses in the sum of £208.

Category 2 Expenses

Details of the Category 2 expenses that have been drawn and incurred since the necessary approval was obtained in the total sum of £ are set out below:

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Eddisons Commercial Limited which is a member of the Begbies Traynor group, has sold the freehold land in Sutton in Ashfield via auction. The purpose of obtaining such services was to ensure a quick and efficient sale of the land. The sale price has significantly exceeded the guide price.	1,000.00
Eddisons Insurance Services Limited ("EIS"), which is a member of the Begbies Traynor group, has provided insurance brokerage services, having arranged open cover insurance in relation to the Company's assets.	5,250.00 (est)
Eddisons Commercial Limited which is a member of the Begbies Traynor group, have been instructed to provide valuations, marketing and sale advice in respect of the Company's freehold land. They have also been instructed to deal with the marketing and sale process. The purpose of obtaining such services was in consideration of Eddisons' knowledge and experience in the market and extensive database and to ensure a prompt and efficient service.	4,000.00 (est)
TOTAL	10,250.00

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2021' 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 Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

9. EXPENSES

A statement of the expenses incurred and discharged by us during the period of this progress report is attached at Appendix 4. A cumulative statement of expenses also appears at Appendix 4 which details the expenses incurred since the date of our appointment.

Creditors will recall that we estimated that the expenses of the administration would total £15,590. That estimate has not been exceeded and we are satisfied that we provided creditors with a accurate reflection of the likely expenses at the time approval was sought.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses (other than pre-administration costs) which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the remuneration charged or the expenses incurred by us during the period of this progress report are excessive or, in relation to the basis fixed for our remuneration, inappropriate.

11. ASSETS THAT REMAIN TO BE REALISED

It is the position that the following assets have yet to be realised and will be dealt with by the joint liquidators once they are in office:

The land in Hunmanby remains unrealised, however an offer has been received and accepted. This sale will complete in the subsequent liquidation.

12. OTHER RELEVANT INFORMATION

Use of personal information

Please note that although the administration is being concluded, in discharging our remaining duties as Joint Administrators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.



J N R Pitts
Joint Administrator

Date: 15 December 2021

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 21 June 2021 to 15 December 2021

Ashley House (Capital Projects) Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 21/06/2021 To 15/12/2021 £	From 21/12/2020 To 15/12/2021 £
	ASSET REALISATIONS	
	Bank Interest Gross	2.02
7,895.00	Book Debts	3.25
1,883.00	Cash at Bank	NIL
	Contribution to search fees	NIL
20,000.00	Freehold Land - Hunmanby	620.20
20,000.00	Freehold Land - Sutton in Ashfield	NIL
	Legal Fees Contribution - Assura	91,000.00
		900.00
		<u>2.02</u>
		<u>92,523.45</u>
	COST OF REALISATIONS	
	Administrators' Expenses	208.00
	Administrators' Fees	208.00
	Administrators' Pre-appointment Fees	34,127.50
	Agents/Valuers Fees (1)	1,999.50
	Legal Disbursements	NIL
	Legal Fees (1)	1,000.00
	Statutory Advertising	528.15
		8,885.50
		<u>94.50</u>
		<u>(36,335.00)</u>
		<u>(46,843.15)</u>
	UNSECURED CREDITORS	
(195,739.83)	Trade Creditors	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(1.00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(145,962.83)</u>		<u>(36,332.98)</u>
	REPRESENTED BY	
	Bank 1 Current	45,680.30
	Vat Control Account	36,317.93
	Vat Receivable	5,136.97
		<u>4,225.40</u>
		<u><u>45,680.30</u></u>

Julian Pitts
Joint Administrator

SUMMARY OF ADMINISTRATORS' PROPOSALS, INCLUDING MAJOR AMENDMENTS TO AND DEVIATIONS FROM THEM

Proposals approved by decision of creditors via a deemed consent procedure

Purpose of the Administration

We are required to set out our proposals for achieving the purpose of the administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at section 3 of this report above.

For the reasons set out in this report, we presently consider that it is not reasonably practicable to achieve the objective specified in sub-paragraph 3(1)(a), and consequently the most appropriate objective to pursue in this case is that specified in sub-paragraph 3(1)(b), namely 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).

It was not considered possible to achieve objective 3(1)(a) as the Company did not have funds to enable continued trade. The Company was loss making as it was unable to pay its liabilities under the lease it was a party to and its parent company, Ashley House Plc, was no longer in a position to fund the shortfall on the lease liabilities.

We are progressing an orderly closure of the Company's business and to secure the Company's assets to ensure realisations can be maximised. An administration appointment has enabled immediate control of the Company's real estate assets and this procedure is likely to result in higher debtor realisations compared to a liquidation process.

In order that the purpose of the administration may be fully achieved, we propose to remain in office as administrators in order to conclude the realisation of the Company's property. The principal matters to deal with in this respect are:

- Continue to liaise with agents to market and sell the land in Hunmanby, Filey;
- Continue to liaise with agents and auctioneers in relation to sale of the Sutton in Ashfield land that has been entered into auction on 24 February 2021;
- Agree the creditor claims and distribute funds if, and when appropriate; and
- Carry out statutory investigations into the Company and the conduct of the directors and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise. At this point it is not envisaged that any material investigations will need to be undertaken by the administrators in addition to their statutory duties.

Following the realisation of assets and resolution of all matters in the administration, and as quickly and efficiently as is reasonably practicable, we will implement the most cost-effective steps to formally conclude the administration.

Exit from Administration

Creditors' voluntary liquidation

We confirm that there are no secured creditors in this matter and that it is anticipated that there will be a distribution to the unsecured creditors of the Company which is not a distribution of the prescribed part¹.

We have the power to make a distribution of the prescribed part to unsecured creditors in the administration but any other distribution to them requires the permission of court. It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate. Additionally, there may be matters for enquiry concerning a company's affairs which are not within the scope of an administrator's powers and which can only be properly dealt with by a liquidator.

Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to deliver a notice of moving from administration creditors' voluntary liquidation to the Registrar of Companies. Upon the registration of such notice our appointment as administrators shall cease to have effect and the Company will automatically be placed into liquidation. Paragraph 83(7) provides:

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- (b) if no person is nominated under paragraph (a), the administrator.

We confirm that as part of our proposals we propose that we, or in the event of there being a subsequent change of persons appointed as administrator, the individuals in office as such immediately prior to the Company being placed into liquidation, do act as joint liquidators in the subsequent winding up of the Company. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved. The appointment of a person nominated as liquidator takes effect by the creditors' approval, with or without modification, of our proposals.

It is proposed that for the purpose of the winding up, any act 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 the persons for the time being holding office.

Dissolution

In the event, that the Company will have insufficient property to enable a distribution to be made to unsecured creditors and, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to deliver a notice of moving from administration to dissolution to the Registrar of Companies. Upon the registration of such notice our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the Company.

¹ Insolvency Act 1986, Sch B1, para 83(1)

Extending the administration

However, it may transpire that it is not possible to finalise the administration as envisaged within one year of the date of our appointment. In particular, this situation will arise if we are not able to conclude an assignment of the lease. The appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, our term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding twelve months. It may therefore become necessary at some future time for us to seek creditor consent to extending the period of the administration for up to a further twelve months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved.

PRE-ADMINISTRATION COSTS

In the period before the Company entered administration, we carried out work consisting of: assessing the financial position of the Company, liaising with the Company's directors, and preparing for administration ("the Work").

The Work was carried out before the Company entered administration because it was necessary to establish the financial position of the Company and to assess the options available to it. This work involved preparing the business to enter administration, dealing with the formalities of placing the Company into administration to include dealing with the formal appointment documentation, filing it at court and serving notice of the relevant parties ("the Work").

The Work was carried out before the Company entered administration to ensure that the aim of achieving the purpose of the administration was achieved.

The pre-administration costs are broken down as follows:

Description	Name of recipient	Net amount £	VAT £	Gross amount £
Our fees in relation to the Work	Begbies Traynor	1,999.50	399.90	2,399.40
TOTAL PRE-ADMINISTRATION COSTS		1,999.50	399.90	2,399.40

The pre-administration costs are unpaid and we are seeking that they be paid as an expense of the administration. Approval to discharge such costs ("the unpaid pre-administration costs") as an expense is required from the creditors' committee, or in the absence of a committee, or if the committee does not make a determination, by seeking decisions of creditors. Payment of the unpaid pre-administration costs requires separate approval and is not part of our proposals subject to approval.

In order to provide sufficient information to consider approval of the payment of the unpaid pre-administration costs, a Pre-Administration Time Costs Analysis and a pre-administration Time Costs Summary appear at Appendix 3. These show the number of hours spent by each grade of staff involved in the case and give the average hourly rate charged. They also provide an explanation of the work undertaken prior to our appointment.

REMUNERATION AND DISBURSEMENTS

Remuneration

We propose that the basis of our remuneration be fixed under Rule 18.16 of the Rules by reference to the time properly given by us and the various grades of our staff calculated at the prevailing

hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters as set out in the fees estimate.

It is for the creditors' committee to approve the basis of our remuneration under Rule 18.18 of the Rules, but if no such committee is appointed it will be for the creditors to determine. We intend to deal with this by seeking decisions of creditors via correspondence.

Appendix 3 sets out our firms' hourly charge out rates, our fees estimate and the time that we and our staff have spent in attending to matters arising in the administration since 21 December 2021.

Disbursements

We propose that disbursements for services provided by our firms and/or entities within the Begbies Traynor Group, be charged in accordance with our firms' policies, details of which are set out at Appendix 3. These disbursements will be identified by us and will be payable subject to the approval of those responsible for determining the basis of our remuneration.

COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 21 June 2021 to 15 December 2021; and
- c. Cumulative Time Costs Analysis for the period from 21 December 2020 to 15 December 2021.

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 guidance² 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. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance³ indicates 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 and 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 expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

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

- Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;

² Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

³ Ibid 1

- 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 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;

Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be 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.

Services provided by other entities within the Begbies Traynor group

The following items of expenditure which relate to services provided by an entity within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of Eddisons Commercial Limited to provide valuation and disposal strategy advice in relation to the Company's assets. Their charges will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

Grade of staff	Charge-out rate (£ per hour)
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

Eddisons Commercial Limited estimate that their charges for providing the valuation services and dealing with marketing and the sale of the assets will be between £2,000 and £3,000.

The charges for dealing with the marketing and sale of the assets will be determined by the disposal strategy.

Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction

In addition to the charges of Eddisons Commercial Limited detailed above where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

Instruction of Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The forecasted cost of insurance for the 3 month period immediately following appointment is £750 inclusive of Insurance Premium Tax. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case.

Where relevant, administration fees may be charged. These costs are taken into consideration and included within the forecasted cost of insurance, above.

In accordance with standard insurance industry practice, EIS will receive payment of commission for the services it provides from the insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

EIS will invoice the insolvent estate for the premium(s) due on the insurer's behalf and receive payment from the estate. EIS will in turn, account to the insurer for the premium(s) payable after deducting any commission payable by the insurer.

Where EIS have initially been consulted on a policy, but the policy has not been taken out, EIS will charge an administration fee of £150.

- (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 office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)
	1 December 2018 – until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

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.

SIP9 Ashley House (capital Projects) Ltd - Administration - 80AS211.ADM : Time Costs Analysis From 21/06/2021 To 15/12/2021

Staff Grade	Consultant/Partner	Director	Staff Mgr	Mgr	Asst Mgr	Staff Admin	Admin	Junior Admin	Support	Total Hours	Time Cost £	Average hourly rate £	
General Case Administration and Planning	Case planning										£ 0.00		
	Administration		11.5		1.3			3.8	0.1	16.7	5,968.00	358.59	
	Total for General Case Administration and Planning:		11.5		1.3			3.8	0.1	16.7	5,968.00	358.59	
Compliance with the Insolvency Act, Rules and best practice	Appointment										£ 0.00		
	Banking and Bonding				2.5				0.5	1.4	261.00	179.29	
	Case Closure		16.3							15.3	6,808.00	445.00	
	Debtor's reporting and statement of affairs	1.0	8.1		2.4					9.5	4,195.00	442.95	
	Total for Compliance with the Insolvency Act, Rules and best practice:	1.0	23.4		0.9				0.9	26.2	11,259.00	429.73	
Investigations	CCDA and Investigators										£ 0.00		
	Total for Investigations:											0.00	
Realisation of assets	Debt collection										£ 0.00		
	Property, business and asset sales		6.4							6.4	2,946.00	445.00	
	Retention of Title/Third party assets										£ 0.00		
	Total for Realisation of assets:		6.4							6.4	2,946.00	445.00	
Trading	Trading										£ 0.00		
	Total for Trading:											0.00	
Dealing with all creditors claims (including employees), correspondence and distributions	Secured		4.9							4.9	2,182.00	445.00	
	Others	0.5								0.5	247.50	455.00	
	Creditors committee										£ 0.00		
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.5	4.9							5.4	2,429.00	449.63	
	Other matters which includes meetings, tax, litigation, pensions and travel											£ 0.00	
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors										£ 0.00		
	Meetings										£ 0.00		
	Other										£ 0.00		
	Tax		0.5		2.2				0.6	1.3	356.50	274.23	
	Litigation										£ 0.00		
	Total for Other matters:		0.5		0.2				0.6	1.3	356.50	274.23	
	Total hours by staff grade:	1.5	46.7			2.4			3.8	1.6	56.0		
	Total time cost by staff grade £	742.50	20,761.50			660.00			532.00	224.00		22,860.00	
Average hourly rate £	435.00	445.00	0.00	0.00	250.00	0.00	0.00	140.00	146.00			408.37	
Total fees drawn to date £:											34,127.50		

SIP9 Ashley House (capital Projects) Ltd - Administration - 80AS211.ADM : Time Costs Analysis From 21/12/2020 To 15/12/2021

Staff Grade		Consultant/Partner	Director	Sr Mgr:	Mgr	Asst Mgr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	1.0	4.0			1.6					6.6	2,676.00	403.30
	Administration		24.4			4.8			7.2	0.6	36.6	13,736.00	355.99
	Total for General Case Administration and Planning:	1.0	28.4			6.4			7.2	0.6	43.5	15,811.00	363.47
Compliance with the Insolvency Act, Rules and best practice	Appointment		3.7			2.4				0.2	6.3	2,274.00	361.03
	Banking and Bonding					0.9				1.6	2.4	435.00	161.26
	Case Closure		15.3								15.3	5,865.00	445.00
	Company reporting and statement of affairs	2.0	15.7			14.9					34.6	13,491.50	389.35
	Total for Compliance with the Insolvency Act, Rules and best practice	2.0	36.7			18.2				1.7	60.6	22,999.50	379.53
Investigations	CDDA and investigations	0.5	2.1			4.2					6.8	2,332.00	328.24
	Total for Investigations:	0.5	2.1			4.2					6.8	2,332.00	328.24
Realisation of assets	Debt collection												0.00
	Property, business and asset sales	1.0	16.6								17.6	7,882.00	447.84
	Retention of Title Third party assets												0.00
	Total for Realisation of assets:	1.0	16.6								17.6	7,882.00	447.84
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured		6.2								6.2	2,759.00	445.00
	Others	0.5	1.2			0.4					2.1	851.50	419.76
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.5	7.4			0.4					6.3	3,640.50	438.61
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors	0.6				0.6					1.2	417.00	347.50
	Meetings												0.00
	Other												0.00
	Tax		0.5			1.1				0.6	2.2	891.50	264.32
	Litigation												0.00
	Total for Other matters:		1.1			1.7				0.6	3.4	398.50	293.68
	Total hours by staff grade:	5.0	94.3			30.9			7.2	2.4	140.2		
	Total time cost by staff grade £:	2,475.00	41,963.50			7,725.60			1,068.00	392.00		53,563.50	
Average hourly rate £:	435.00	445.00	0.00	0.00	250.00	0.00	0.00	140.00	145.00			382.65	
Total fees drawn to date £:											34,127.50		

STATEMENT OF EXPENSES FOR THE PERIOD

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Search fee	Land Registry	18.00	18.00	Nil
Bond	Marsh Ltd	190.00	190.00	Nil

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Legal fees	Addleshaw Goddard Solicitors	8,885.50
Legal disbursements	Addleshaw Goddard Solicitors	528.15
Statutory advertising	Courts Advertising Ltd	94.50
Bond	Marsh Limited	208.00
Land Registry fees	Land Registry	18.00
Agent's fees paid to Eddisons	Eddisons Commercial Limited t/a Pugh	1,000.00
Agent's fees paid to Eddisons	Eddisons Commercial Limited	2,000.00
Insurance premium paid to Eddisons	Eddisons Insurance Services	4,500.00