

The Insolvency Act 1986

**Administrator's progress report 2.24B**

Name of Company <b>Daniel Lynch Limited</b>	Company number <b>01337025</b>
In the High Court of Justice, Chancery Division, Birmingham District Registry <small>[full name of court]</small>	Court case number <b>3190 of 2004</b>

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

(a) Gerald Irwin, of Irwin &amp; Company, Station House, Midland Drive, Sutton Coldfield, West Midlands B72 1TU;

Administrator of the above Company attach a progress report for the period

from

(b) 30 June 2009

to

(b) 29 December 2009

Signed

Administrator

(b) Insert dates

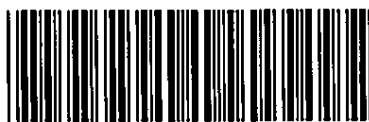
Dated

28/1/10

**Contact Details:**

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

Irwin & Company, Station House, Midland Drive, Sutton Coldfield, West Midlands B72 1TU	
Tel: 0121 321 1700	
DX Number	DX Exchange



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COMPANIES HOUSE

THURSDAY

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff



## TO ALL KNOWN CREDITORS

28 January 2010

Our Ref: GI/jdp/LA/X

Dear Sirs

**DANIEL LYNCH LIMITED  
(IN ADMINISTRATION)  
IN THE HIGH COURT OF JUSTICE NO. 3190 OF 2004**

Further to my appointment as Administrator of the above Company by its directors, on 30 December 2004, I am writing to provide you with a progress report in accordance with Rule 2.47 of the Insolvency Rules 1986 (Amendment Rules, Schedule 1, Part 2).

This report should be read in conjunction with my previous circular to creditors, issued on 21 February 2005, pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986, (as amended by the Enterprise Act 2002) and subsequent progress reports issued, pursuant to Rule 2.47 of the Insolvency Rules 1986 (Amendment Rules, Schedule 1, Part 2).

### 1. Summary of Receipts and Payments

Enclosed is a Summary of Receipts and Payments for the period 30 December 2004 to 29 December 2009, from which you will note that there were funds in hand of £214,913.

### 2. Realisations since Last Report

I would advise that there have been no realisations since my last progress report.

### 3. Secured Creditors

As mentioned in previous reports, proceedings have been instigated against Mr & Mrs Lynch, in the High Court, relating to a number of potential antecedent transactions.

An eight day trial is due to commence on Monday 22 February 2010, in the Birmingham High Court.

A report on the outcome of the forthcoming trial will be circulated with my next progress report to creditors.

With regards to the Company's claim against Bickenhill Estates Limited (formerly Daniel Lynch Properties Limited), I would advise that a Winding Up Petition was served on 22 September 2009.

At a Winding-Up Hearing on 27 November 2009, Bickenhill Estates Limited was put into Compulsory Liquidation and the Official Receiver currently acts as its Liquidator.

I am seeking the appointment as Liquidator of Bickenhill Estates Limited and am waiting to hear from the Official Receiver's Office.

#### **4. Preferential Creditors**

Preferential creditors have received dividends totalling 100 pence in the pound, the amount distributed being £6,755.

No further preferential claims are anticipated in this matter.

#### **5. Unsecured Non-Preferential Creditors**

The director's Statement of Affairs estimated non-preferential claims in the sum of £1,315,063.

To date, claims have been received from non-preferential creditors in the sum of £1,384,108.

#### **6. Statutory Information**

Statutory information regarding the Company is enclosed for your information.

#### **7. Administrator's Proposals**

A copy of the Administrator's proposals is enclosed for your information.

#### **8. Dividend Prospects for Unsecured Non-Preferential Creditors**

Based on current information, the prospects of a dividend for unsecured non-preferential creditors of the Company are dependent on the outcome of the actions being brought against the former Directors, Mr & Mrs Lynch.

#### **9. Office Holder's Remuneration**

To date, I have drawn £164,133 by way of remuneration, in accordance with resolutions passed by the creditors. Time costs to 16 January 2010 amount to £242,173.25 for 1,378.35 hours, representing an average charge of £175.70 per hour, as set out in the attached statement, required by Statement of Insolvency Practice 9 "SIP9".

Category 1 disbursements, as defined by "SIP9" are as scheduled on the attached Summary of Receipts and Payments.

Since the date of my last report, no further category 2 disbursements have been paid to my firm.

#### **10. Extension to Period of Administration**

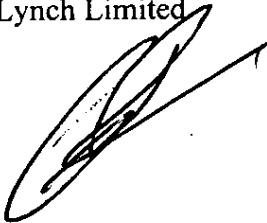
On 22 September 2009, an Order was made by District Judge Bull extending the period of Administration until 30 March 2010.

An Order may be required to further extend the period of Administration, however, this may depend on the outcome of the forthcoming trial.

#### **11. General**

I trust that you will find the above self-explanatory, however, should you have any queries or require further information, please do not hesitate to contact myself or my manager, John Pearson.

Yours faithfully  
for and on behalf of  
Daniel Lynch Limited

A handwritten signature in black ink, appearing to be 'Gerald Irwin', written over a faint circular stamp or watermark.

**Gerald Irwin**  
**Administrator**

Licensed to act as an insolvency practitioner by the Association of Chartered Certified Accountants.

**encs**

**Daniel Lynch Limited**  
**(In Administration)**

**Administrator's Abstract Of Receipts And Payments**  
**To 29 December 2009**

<b>RECEIPTS</b>	<b>Total (£)</b>
Property - Bubbenhall	287,000.00
2 Fieldgate House	230,000.00
Property - Curriers Close	347,500.00
Property - Broad Lane	487,500.00
Plant & Machinery	8,000.00
Office Furniture & Equipt	1,321.28
Motor Vehicles	8,500.00
Book Debts	184,037.01
Cash at Bank	3,045.73
DLynch contribution to legal fees	2,663.00
Morgan Stanley Investment	224.92
Bank Interest Gross	67,402.14
VAT Refund	11,912.23
Sundry Refunds	31.41
Electricity Refund	760.97
VAT Outputs	34,268.72
Vat Control Account	31,396.15
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	1,705,563.56

<b>PAYMENTS</b>	
Wages / Salaries	7,525.08
PAYE / NI deductions	5,743.37
Telephone charges	157.46
Legal Fees & Expenses	8,788.68
Agents Fees & Expenses	8,730.00
Stamp Duty / Land Registry Fee	9,070.00
Ground Rent	76.79
Bank of Ireland plc	419,191.14
Estate Agents Fees	4,025.00
Management Company Fee	753.82
Legal Fees	1,775.00
Forfeiture Removal Fee	7,450.00
Ground Rent / Land Registry Fee	6,652.62
Royal Bank of Scotland plc	285,466.24
Legal Fees	4,287.00
Ground Rent / Land Registry Fee	10,077.97
Nationwide Building Society	230,524.83
RBS re: Company Credit Card	393.95
Specific Bond	1,840.00
Administrator's Fees	164,133.25
Administrator's Expenses	75.00
Agents / Valuers Fees	1,093.75
Quantity Surveyors Fees	64,769.60
Legal Fees & Expenses	138,321.60
Counsels Fees	7,575.00
Post Administration Corporation Tax	16,699.74
Architects Fees	378.00
Bickenhill (DLC) Limited costs	500.00
Stationery & Postage	1,047.44
Travel Expenses	108.40
Accountants Fee re: Payroll	250.00

**Daniel Lynch Limited**  
**(In Administration)**

**Administrator's Abstract Of Receipts And Payments**  
**To 29 December 2009**

Printing costs	249.91
Statutory Advertising	377.50
Insurance of Assets	1,384.95
Council Tax payable	459.78
Rent & Service Charges	5,285.21
Preferential Creds - Holiday Pay claims	6,754.88
VAT Inputs	68,657.46
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	1,490,650.42
Balances in Hand	214,913.14
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	1,705,563.56
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## **Statutory Information**

Name of Company:	Daniel Lynch Limited
Registered Office:	Station House Midland Drive Sutton Coldfield West Midlands B72 1TU
Company Registration Number:	01337025
Administrators Name:	Gerald Irwin
Administrators Address:	Station House Midland Drive Sutton Coldfield West Midlands B72 1TU
Date of Appointment:	30 December 2004
Name(s) and Address(es) of Appointor(s)	Daniel Lynch and Jane Olwyn Lynch (Directors) of Barr House The Avenue, Bishopton Stratford upon Avon Warwickshire CV37 0RH

**DANIEL LYNCH LIMITED  
(IN ADMINISTRATION)  
IN THE HIGH COURT OF JUSTICE NO. 3190 OF 2004**

**FORMAL PROPOSALS OF THE ADMINISTRATOR  
UNDER PARAGRAPH 49 OF SCHEDULE B1 TO THE INSOLVENCY ACT 1986  
AS AMENDED BY THE ENTERPRISE ACT 2002**

1. It was resolved that a Creditors' Committee be established to assist the Administrator in discharging his duties.
2. It was resolved that the Administrator continues to manage the affairs of the Company in order to achieve the purpose of the Administration.
3. It was resolved that the Administrator be authorised to distribute funds to the secured and preferential creditors in accordance with the Insolvency Act 1986 as and when claims are agreed and funds permit and in relation to distributions to unsecured creditors when the court gives permission.
4. It was resolved that the Administrator be authorised by the creditors to continue to investigate the affairs of the Company with a view to making such realisation as may prove economically viable and to employ legal and professional advisors of his choice, as so required.
5. It was resolved that the Administrator be permitted to 'exit' the Administration either by way of an application for dissolution, if no dividend is to be paid to the unsecured creditors OR by putting the company into Creditors' Voluntary Liquidation, if a dividend to unsecured creditors is likely, when in the Administrator's opinion it is appropriate to do so, and furthermore if in is the case of liquidation, Gerald Irwin should be permitted to act as Liquidator in the voluntary winding up.
6. It was resolved that the Administrator's remuneration be fixed in accordance with the time costs of himself and his staff, for attending to matters arising in the Administration, with such remuneration to be drawn from time to time without further recourse to creditors.
7. It was resolved that the Administrator be entitled to draw category 2 disbursements, as defined by Statement of Insolvency Practice 9 ("SIP9") and in accordance with his Statement of Office Holder's Charging and Disbursement Recovery Policies.

**Gerald Irwin  
Administrator**



**Daniel Lynch Limited**

**Summary of Office Holder's time costs as at 16 January 2010**

Classification of work function	Hours					Time cost £	Average Hourly Rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration and planning Statutory Matters	39	147.15	21.6	35.6	243.35	37,143.60	152.63
Investigations	236.85	309.5	0	3.4	549.75	104,761.25	190.56
Realisation of Assets	102	98	1.5	0	201.5	33,320.00	192.16
Trading	0	10.1	0	0	10.1	1,515.00	150.00
Creditors	87.45	195.85	17.8	2	303.1	53,316.75	175.90
Case specific matters - Cashiering	0	0	5.5	35.2	40.7	3,690.50	90.68
Tax Issues	0.5	0.8	0	0	1.3	232.50	178.85
Employees	1.75	5.2	0	21.6	28.55	2,793.75	97.85
<b>Total hours</b>	<b>467.55</b>	<b>766.6</b>	<b>46.4</b>	<b>97.8</b>	<b>1,378.35</b>	<b>(222,173.25)</b>	<b>£175.70</b>
<b>Less: Amount invoiced to date</b>							
<b>Unbilled time costs as at 16 January 2010</b>							
							<b>(278,040.00)</b>

Chargeout Rates		2004 - 2007	2008 - 2010
Partner		225 per hour	£250 per hour
Manager		£150 per hour	£175 per hour
Senior Administrator		£110 per hour	£125 per hour
Administrators		£90 per hour	£100 per hour
Compliance Manager		£100 per hour	£125 per hour
Senior Assistant		£75 per hour	£100 per hour
Senior Support Staff/ Senior Cashier/PA		£80 per hour	£100 per hour
Support Staff/Cashier/ Secretary		£60 per hour	£75 per hour