

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Rawcliffe Developments Limited	Company number 3802360
In the High Court of Justice, Chancery Division (full name of court)	Court case number 890 of 2009

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

I/We (a)
Adrian Peter Berry
Deloitte LLP
1 City Square
Leeds
West Yorkshire
LS1 2AL

Daniel Francis Butters
Deloitte LLP
1 City Square
Leeds
West Yorkshire
LS1 2AL

*Delete as
applicableattach a copy of ~~*my~~/our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) 28 April 2009

Signed



Joint / Administrator(s)

Dated

28/4/09

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 researchers of the public record

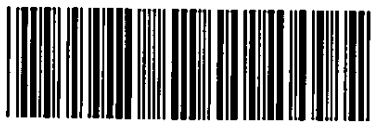
Adrian Peter Berry
Deloitte LLP
1 City Square
Leeds
West Yorkshire
LS1 2AL

DX Number

0113 243 9021
DX Exchange

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

WEDNESDAY



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29/04/2009

394

COMPANIES HOUSE

Rule 2.35

Notice of a meeting of Creditors

Name of Company

Rawcliffe Developments Limited

Company number

3802360

In the
High Court of Justice

(full name of court)

Court case number

890

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

Notice is hereby given by (a)

Adrian Peter Berry
Deloitte LLP
1 City Square
Leeds
West Yorkshire
LS1 2ALDaniel Francis Butters
Deloitte LLP
1 City Square
Leeds
West Yorkshire
LS1 2AL(b) Insert full name and
address of registered
office of the company

that a meeting of creditors of (b)

Rawcliffe Developments Limited
1 City Square
Leeds
LS1 2AL(c) Insert details of place
of meeting

is to be held at (c)

Deloitte LLP
1 City Square
Leeds
LS1 2AL(d) Insert date and time
of meeting

on (d) 15 May, 2009

at 10:00

The meeting is:

*Delete as applicable

*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')

~~*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~~~*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~~~*(4) a further creditors' meeting under paragraph 56 of the Schedule~~~~*(5) a creditors' meeting under paragraph 62 of the Schedule.~~

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed

Joint / Administrator(s)

Dated

25/4/09

*Delete as applicable

A copy of the *proposals/ revised proposals is attached

CLAIM FOR VOTING PURPOSES

Rawcliffe Developments Limited - In Administration

Date of Administration Order: 25/03/2009

1. Name of Creditor

2. Address of Creditor

3. Total amount of claim, including any Value
Added Tax and outstanding uncapitalised interest as at the date of the Order. £

4. Details of any document by reference to
which the debt can be substantiated (Note:
the Administrator may call for any document
or evidence to substantiate the claim at his
discretion).

5. If total amount above includes outstanding
uncapitalised interest, please state amount. £

6. Particulars of how and when debt incurred.

7. Particulars of any security held, the value of
the security and the date it was given. £

8. Signature of creditor or person authorised to
act on his behalf

Name in BLOCK LETTERS

Position with or relation to creditor

(For Office Use Only)

Admitted to vote for

Date:

Administrator:

Proxy (Administration)

Rawcliffe Developments Limited

Name of Creditor _____

Address _____

Name of Proxy Holder

1 _____

2 _____

3 _____

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on 15 May 2009 or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

Voting Instructions for resolutions

*Please delete as appropriate

1. For the acceptance/rejection* of the administrator's proposals/revised proposals* as circulated

2. For the appointment of

 of

representing _____

as a member of the creditors' committee

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor has not signed in person

Position with creditor or relationship to creditor or other authority for signature

Remember: there may be resolutions on the other side of this form

RAWCLIFFE DEVELOPMENTS LIMITED
(FORMERLY LINTON CONSTRUCTION (UK) LIMITED) Case No. 890 of 2009

CHATTANOOGA PROPERTIES LIMITED

Case No. 891 of 2009

- IN ADMINISTRATION ("THE COMPANIES")

**ADMINISTRATORS' STATEMENTS OF PROPOSALS PURSUANT TO
PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

28 April 2009

A P Berry and D F Butters
Administrators of the Companies - In Administration
Deloitte LLP
1 City Square
Leeds
LS1 2AL

Disclaimer Notice

- These Statements of Proposals have been prepared by Adrian P Berry and Daniel F Butters, the Administrators of Rawcliffe Developments Limited and Chattanooga Properties Limited, solely to comply with their statutory duties under paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors statements of their proposals for achieving the purposes of the Administrations, and for no other purposes. They are not suitable to be relied upon by any other person, or for any other purposes, or in any other context.
- These Proposals have not been prepared in contemplation of being used, and are not suitable to be used, to inform any investment decisions in relation to the debts of or any financial interests in any of the Companies listed above.
- Any estimated outcomes for creditors included in these Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on these Proposals for any purpose or in any context other than under paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Administrators do not assume any responsibility and will not accept any liability in respect of these Proposals.
- The Administrators act as agents for Rawcliffe Developments Limited and Chattanooga Properties Limited and contract without personal liability. The appointments of the Administrators are personal to them and, to the fullest extent permitted by law, Deloitte LLP does not assume any responsibility and will not accept any liability to any person in respect of these Proposals or the conduct of the Administrations.

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ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used:

"Act"	The Insolvency Act 1986 (as amended)
"the Administrators"	Adrian Berry and Daniel Butters of Deloitte LLP
"the Bank"	Yorkshire Bank plc
"Blacks"	Black Property Consultants Limited
"Chattanooga"	Chattanooga Properties Limited
"the Companies"	Rawcliffe Developments Limited and Chattanooga Properties Limited
"FLJ"	Fox Lloyd Jones Limited
"Group"	Together Rawcliffe Developments Limited and Chattanooga Properties Limited
"Hudson Moody"	Hudson Moody (unincorporated)
"QFCH"	Qualifying Floating Charge Holder
"Rawcliffe"	Rawcliffe Developments Limited
"Rules"	The Insolvency Rules 1986

1. BACKGROUND

1.1. Introduction

This report is prepared pursuant to Paragraph 49 of Schedule B1 of the Act, which requires the Administrators to provide creditors with details of their proposals to achieve the objectives of the Administrations.

To assist the creditors and enable them to decide on whether or not to vote for the adoption of the proposals, the following information is included in the report:

- Background of the Group;
- The circumstances giving rise to the Administrations;
- How the affairs have been and are continued to be managed by the Administrators; and
- Other information to assist creditors.

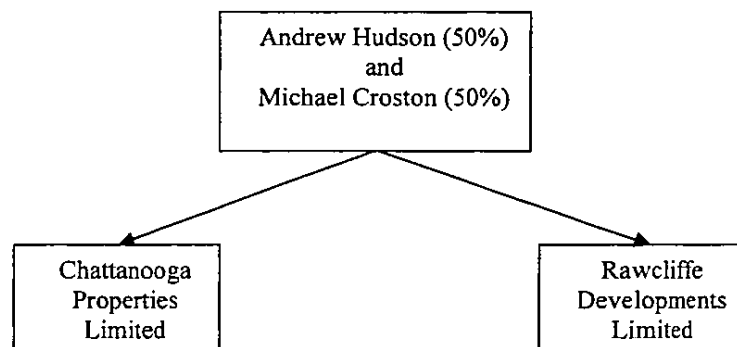
For the purposes of this report, we will refer to the Companies by the abbreviations set out on the previous page.

1.2. Background

Rawcliffe was established in 1999 and Chattanooga in 2004. The principal activity of the Group was to develop and sell residential and commercial properties in and around York. The directors are the ultimate shareholders of both companies.

Chattanooga does not trade and held negligible assets until 2007 when the Group commenced the building development at Rawcliffe Industrial Estate, the Group's last remaining development site. This building development is held in Chattanooga with construction works undertaken by Rawcliffe. Rawcliffe incurs all costs and realises all income in respect of developments held by Chattanooga.

Rawcliffe, the only trading company in the Group, had historically been profit making. Following the start of the decline in the housing market from 2007 Rawcliffe realised losses that ultimately led to Administration.



1.3. Overview of Financial Information

Extracts from the Companies statutory accounts for the 12 months to 31 July 2008 and 12 months to 31 July 2007 are shown below. As the Companies are only required to file abbreviated accounts, only unaudited profit and loss account information provided by management is available. The Companies have not prepared management accounts since the 2008 year end.

Please note that this information has not been verified by the Administrators or by Deloitte LLP. Furthermore, the comments below each table reflect Management's explanations of the amounts included in the profit and loss account and balance sheet.

All Group trading income and expenditure occurred within Rawcliffe, and Group assets were held in Chattanooga. Prior to appointment all floating charge assets within the Group (i.e. stock and debtors) were realised by the directors. The only remaining Group assets are the building developments held within Chattanooga. Rawcliffe ceased trading on 20 January 2009 with all employees having been made redundant by this date.

At the date of appointment Bank lending to the Group was c.£1m; £750k in respect of Chattanooga and £250k in respect of Rawcliffe. Bank lending to both companies was secured by a fixed and floating charge over the building developments held within Chattanooga. Funds advanced to Rawcliffe by the Bank are secured by a cross guarantee from Chattanooga.

Rawcliffe Summary Profit and Loss Account

	Unaudited Statutory Accounts for year to 31 July 2008 £000	Unaudited Statutory Accounts for year to 31 July 2007 £000
Turnover	1,504.6	4,218.6
Cost of Sales	(1,596.8)	(4,047.9)
Gross Profit	(92.2)	170.7
Gross Margin %	(6.1)%	4.1%
Other Expenses	(283.9)	(421.8)
(Loss)/Profit	(376.1)	(250.4)

Source: Management Information

Management state that the large reduction in business activity in 2008 is indicative of the decline in the property market. As alternative funding was scarce the directors reduced the number of developments undertaken by Rawcliffe and significantly reduced the scale of its workforce. Only marginal gross profits were realised in 2007, with losses in 2008 resulting in poor cash flows and ultimately the Administration of the Companies.

Rawcliffe Summary Balance Sheet

	Audited Statutory Accounts for year to 31 July 2008 £000	Audited Statutory Accounts for year to 31 July 2007 £000
Tangible assets	10.9	11.6
Intangible assets	9.2	89.4
Fixed assets	20.1	101.0
Current Assets		
Stock	14.7	238.5
Debtors	42.8	379.2
Other debtors	7.5	25.6
Cash at bank	-	20.4
	65.0	663.6
Liabilities		
Trade creditors	(86.7)	(369.6)
Other	(23.2)	(71.6)
Bank	(236.0)	(182.9)
Total Liabilities	(345.9)	(624.1)
Net Assets	(260.8)	129.1

Source: Audited Accounts

As mentioned above, following the scale down of operations due to the lack of available funding, the majority of debtor balances had been collected by 31 July 2008. Cash inflows from debtor collections were offset by reduced cash inflows from reduced sales activity. This resulted in an increase in the Bank overdraft. The Bank overdraft totalled around £250k at the date of appointment.

Debtors within Rawcliffe do not include the intercompany balance due from Chattanooga; the two balance sheets do not reconcile due to omissions in the accounting records of the companies. The material differences between the accounts and the directors' Statement of Affairs will be investigated during the course of the Administration.

1.4. Chattanooga Properties Limited

Chattanooga Summary Profit and Loss Account

	Unaudited Statutory Accounts for year to 30 April 2008 £000	Unaudited Statutory Accounts for year to 30 April 2007 £000
Turnover	-	-
Cost of Sales	-	-
Gross Profit	-	-
Gross Margin %	0%	0%
Other Expenses	(9.2)	(0.4)
(Loss)/Profit	(9.2)	(0.4)

Source: Management Information

Chattanooga does not trade and is only a vehicle to hold the property developments.

Chattanooga Summary Balance Sheet

	Audited Statutory Accounts for year to 30 April 2008 £000	Audited Statutory Accounts for year to 30 April 2007 £000
Current Assets		
Stock	656.6	387.5
Debtors	-	0.3
	656.6	387.8
Liabilities		
Bank	(278.1)	-
Amounts owing to Group companies	(388.5)	(387.9)
Total Liabilities	(666.6)	(387.9)
Net Assets	(10.0)	(0.1)

Source: Audited Accounts

Stock represents the building developments at Rawcliffe Industrial Estate as at 30 April 2008 in the accounts of Chattanooga. Since this date the developments have been completed and are currently being marketed for sale.

Since 30 April 2008 significant expenditure has been incurred in completing the building developments. Accordingly, Bank lending had increased to around £750k at the date of appointment. Management values the building developments at

around £1.2m (as compared to the value of £657k at 30 April 2008), as shown in the statement of affairs at Appendix 3.

The intercompany balance of £388k as at 30 April 2008 relates to amounts owing to Rawcliffe in respect of construction works undertaken by Rawcliffe in respect of buildings owned by Chattanooga. However, as mentioned above due to the lack of detailed management accounts and the poor quality of the existing financial information it is currently unclear why Rawcliffe does not hold an intercompany debtor for this amount. We understand that the directors' Statement of Affairs reflects the current intercompany position and any non reconciled material differences between this and the latest company accounts will be investigated by the Administrators in due course.

1.5. Management and Employees

Rawcliffe had ceased trading prior to appointment on 20 January 2009 and all employees had been made redundant either on or before this date.

Statutory information on the Companies, including details of the directors, company secretary, bankers and financiers is provided at Appendix 1.

2. THE CIRCUMSTANCES GIVING RISE TO THE APPOINTMENT OF THE ADMINISTRATORS

2.1. Events prior to the Administration

Following the downturn in the property market and reduced profitability the Companies were unable to meet Bank repayments. As a result the directors issued a letter to all creditors that it had ceased trading with immediate effect on 20 January 2009. A winding up petition was issued by a creditor against the company on 16 February 2009.

Further to the cessation of trade and the winding up petition, the directors requested that the Bank appoint Administrators.

2.2. Details of the Appointment of Administrators

Adrian Peter Berry and Daniel Francis Butters of Deloitte LLP were appointed Administrators of the Companies by the High Court of Justice in the Leeds District Registry on 25 March 2009 following applications made by the Bank as QFCH subject to paragraph 14 of Schedule B1 of the Act.

For the purposes of Paragraph 100 of Schedule B1 of the Act the Administrators are each authorised to carry out all functions, duties and powers either jointly and/or severally.

2.3. Objectives of the Administrations

The Administrations must perform their functions with the objectives of:

1. Rescuing a company as a going concern (in other words a restructuring which keeps the actual entity intact);
2. Or; if the first objective is not reasonably practicable; the Administrators must perform their functions with the objective of achieving a better result for creditors than would be if the company were wound up. This would normally envisage a sale of the business and assets as a going concern (or a more orderly sales process than in liquidation).
3. If neither of the first two objectives are reasonably practicable, the Administrators must perform their functions with the objective of realising property in order to make a distribution to any secured and/or preferential creditors.

The Companies had significant secured creditor liabilities to the Bank and therefore a restructuring of these creditors would have been required to meet the first objective. It was apparent that there was insufficient ascribed value by third parties in order to affect a restructuring of the Companies' considerable debt and the Administrators concluded that the first objective was not achievable.

Accordingly, Administrators have, and continue to, pursue the objective of achieving a better result for creditors than would be obtained through an immediate liquidation of the Companies. This will be achieved through undertaking the sale of the Companies' building developments.

3. THE MANNER IN WHICH THE AFFAIRS OF THE COMPANIES HAVE BEEN MANAGED AND FINANCED AND WILL CONTINUE TO BE MANAGED AND FINANCED IF THE ADMINISTRATORS' PROPOSALS ARE APPROVED.

3.1. Introduction

Following an assessment of the Companies' businesses and discussions with management, the Administrators appointed FLJ as property agents to oversee the sales of the building developments. FLJ were previously engaged by the Bank to provide development advice in respect of these Companies.

As the developments were substantially complete a decision was made not to recommence trading within Rawcliffe.

FLJ have retained Blacks as commercial agents and Hudson Moody as residential agents to deal directly with potential purchasers. This is continually overseen by the Administrators and FLJ.

Prior to the appointment of Administrators the Companies had realised all assets other than the building developments, including stock, debtors and fixed assets. The Administrators propose to undertake investigations to assess whether these asset disposals were appropriate and at fair value.

Therefore the role of the Administrators is primarily in realising the building developments for the benefit of the secured, preferential and unsecured creditors.

The Administrators are not disclosing the estimated value of the building developments due to the sensitivity surrounding price and to mitigate the risk of jeopardising a sale.

3.2. Post appointment strategy

Immediately on appointment the building developments were secured by FLJ. The Companies' books and records were obtained from the Companies' accountants, Gardiners Limited.

The Administrators continue to pursue a sale of the building developments in order to meet their objectives.

4. DIRECTORS' STATEMENT OF AFFAIRS

4.1. Introduction

Statement of Affairs for both Companies have been submitted by the directors, as at 25 March 2009, summaries of which are attached at Appendix 3.

There are a number of different classes of creditors which may have claims in an Administration. These include:

- **Secured creditors:** They have fixed and floating charge debenture security and as such are paid in priority to other creditors. This priority is subject to payments to preferential creditors and unsecured creditors under the Prescribed Part (see section 4.5). Further details of the Companies' security are set out in section 4.3.
- **Preferential creditors:** These relate to specific employee wage arrears, holiday pay and certain pension contributions and are paid in priority to unsecured creditors out of net floating charge realisations before the Prescribed Part and before payment to the secured floating chargeholder.

Unsecured creditors: These rank behind secured and preferential creditors and receive any surplus available from net realisations.

4.2. Notes to the directors' Statements of Affairs

The directors' have stated the following:

- The estimated to realise values are based on the directors' understanding of the consideration achieved by the Administrators for the sale of Companies assets;
- There was a cross guarantee in place between Chattanooga and Rawcliffe. The Companies' total bank indebtedness at the date of appointment was £1m;
- No provision has been made in the Statements of Affairs for the costs of the Administration (including agents, legal and professional fees).

As noted above, amounts are owed by Chattanooga to Rawcliffe in respect of construction works undertaken in respect of the building developments. The directors have assumed any inter-company balances are recoverable in the Statement of Affairs.

4.3. Secured creditors

The building developments were charged to the Bank under the terms of its debenture dated 21 January 2008 which conferred fixed and floating charges over certain assets of Chattanooga. At the date of appointment of the Administrators, the total amount owing to the Bank under its debenture amounted to £1m.

The Administrators initial analysis indicates that it is likely that the secured creditor will not realise sufficient funds to repay the secured creditor in full, therefore the Bank will suffer a shortfall.

4.4. Preferential Claims

At the date of appointment no preferential claims existed as all employees were made redundant prior to Administration with all employee liabilities extinguished.

4.5. The Prescribed Part

By virtue of Section 176A (2)(a) of the Act, the Administrators must make a Prescribed Part of the Company's net property available for the satisfaction of unsecured debts. Net property is the amount of the Company's property which would, for this section, be available for the holders of floating charges created by the Company.

Given that the directors realised all floating charge assets prior to appointment it is highly likely that there will be no realisations in either Company to facilitate a Prescribed Part distribution to unsecured creditors.

4.6. Unsecured Claims

The unsecured creditors' position as at 25 March 2009 per the directors' Statements of Affairs (excluding any shortfall to floating charge holders) in respect of Rawcliffe totals £80k. Chattanooga did not have any unsecured creditors at the date of appointment.

After discharging the costs of the Administration, as there will not be sufficient realisations to fully repay the Bank, we do not expect any funds to be available to pay a dividend to the unsecured creditors of either Companies.

4.7. Creditors Meeting

The Administrators have convened creditors meetings for 15 May 2009 at 10:00am to be held at the offices of Deloitte LLP, 1 City Square, Leeds LS1 2AL. Attached at Appendix 7 is notice of these meetings on Form 2.20B

5. ADMINISTRATORS' FEES AND EXPENSES

5.1. General

As advised, there will be no funds available to the unsecured creditors including by virtue of Section 176A(2)(a) of the Act; therefore, fixing of Administrators' remuneration will be approved in accordance with Rule 2.106(5A) of the Rules, which is outlined as follows:

- Where the Administrators have made a statement under paragraph 52(1)(b) the Administrators' remuneration may be fixed by approval of:
 - each secured creditor; or
 - if the Administrators intend to make a distribution to preferential creditors, with the approval of each secured creditor and 50% of preferential creditors who respond to an invitation to consider approval.

The Administrators have agreed with the Bank the basis of the remuneration for each Company in respect of fixed and floating charge realisations. This will be on the basis of time properly incurred by the Administrators and their staff in attending to the Administrations at the charge out rates applicable at the time it is incurred.

In line with paragraph 52(1)(b) of Schedule B1 of the Act outlined above there is no requirement for unsecured creditors to pass a resolution in respect of Administrators' remuneration.

The Administrators' time costs for each Company are analysed at Appendix 4. The work has been categorised into the following task headings and sub categories:

- Administration and Planning includes such tasks as case planning and set-up, appointment notification, statutory reporting, compliance, cashiering, accounting and administrative functions;
- Realisation of Assets includes such tasks as identifying and securing assets, property issues and any related legal issues;
- Investigation includes such tasks as reporting on the directors' conduct, investigating antecedent transactions and any other investigations that may be deemed appropriate;
- Trading includes tasks such as planning, strategy, managing day one site visits and corresponding with suppliers and customers; and
- Creditors includes such tasks as creditor communication and meetings, corresponding with secured creditors and reviewing and obtaining advice in relation to security granted to the Bank. Also, included is dealing with trade

creditors; dealing with customer creditors, employee issues; and submitting documentation to HM Revenue & Customs.

- Case specific matters include employee related issues, VAT and corporation tax issues.

The range of charge out rates for the separate categories of staff is based on our discounted charge out rates as summarised below:

Grade	£ per hour
Partner	545 to 615
Managers	250 to 340
Administrators/Support staff	145 to 170

Charge out rates are subject to review each year and material increases in rates will be reported to creditors in the next scheduled report following such an increase.

5.2. Administrators' expenses

Administrators' expenses (excluding VAT if applicable) consist of mileage costs totalling £41.85 in respect of Rawcliffe. Please note that the Administrators' expenses for mileage are calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte LLP at the time when the mileage is incurred (presently up to 40p per mile).

5.2.1 Rawcliffe

Time Cost Summary from 25 March 2009 to 28 April 2009 Rawcliffe Developments Limited						
Classification of Work Function	Partner hours	Manager hours	Other senior professional hours	Total hours	Time Costs £	Average Hourly Rate £
Administration & Planning	-	23.5	11.0	34.5	8,337.5	242
Realisation of Assets	10.0	-	-	10.0	5,445.0	545
Creditors	-	2.5	-	2.5	662.5	265
Case Specific Matters	-	0.4	-	0.4	128.0	320
Total Hours	10.0	26.4	11.0	47.4	14,573.0	307

5.2.2 Chattanooga

Time Cost Summary from 25 March 2009 to 28 April 2009 Chattanooga Properties Limited						
Classification of Work Function	Partner hours	Manager hours	Other senior professional hours	Total hours	Time costs £	Average hourly rate £
Administration & Planning	-	5.0	5.5	10.5	2,320.0	221
Total Hours	-	5.0	5.5	10.5	2,320.0	221

5.3. Other Professional Costs

Fees in respect of property advice provided and in assisting with sales of the developments by FLJ are based upon their recorded time costs incurred at their prevailing hourly charge out rates. In addition, their fees for assisting in realising the assets are calculated on a commission basis, plus disbursements incurred. At present their costs, net of VAT, are expected to be £16,100. Once their invoices have been submitted they will be reviewed by the Administrators before being approved for payment.

A creditor's guide to Administrators fees can be obtained from:

http://www.r3.org.uk/uploads/documents/Creditors_Administration.pdf

6. OTHER INFORMATION TO ASSIST CREDITORS

6.1. Directors' conduct

As part of their statutory duties, the Administrators will consider the conduct of the directors and any person they consider shadow or de facto director in relation to their management of the affairs of the Companies and the causes of failure and will submit a confidential report to the Insolvency Service.

As part of their investigations the Administrators will consider, among other matters, the following:

- statutory compliance issues;
- misfeasance or breach of duty; and
- antecedent transactions (including transactions at an under value and preferences).

Creditors who wish to draw any matters to the attention of the Administrators should write to the Administrators at the address given on the front of this report.

The Administrators will also be investigating the Bank transactions and asset sales in the past 12 months trading activity.

6.2. Connected Party Transactions

The Administrators are not currently aware of any connected party transactions which have not been carried out on an arm's length basis. As noted above, the Administrators are to investigate asset sales prior to appointment. Should creditors have information regarding any such transactions they should forward details in writing to the Administrators.

6.3. Exit Routes from Administration

In accordance with the provisions of the Enterprise Act 2002, all Administrations automatically come to an end after one year, unless an extension is granted by the Court or by consent of the creditors.

There are several exit routes which are available to the Administrators such as;

- an application to Court (in the event of a Court appointment);
- filing a notice in Court and with the Registrar of Companies confirming that the purpose of Administration has been sufficiently achieved; or
- in the event that the company has no property the Administrators may notify the Registrar of Companies to that effect at which time the appointment of the Administrators ceases and three months following that date the company is deemed to be dissolved.

The exit route chosen in relation to the Companies will largely depend on the circumstances of each Administration.

If funds do become available for a distribution under the Prescribed Part, the administrators may apply to the Court for the authority to make a distribution to unsecured creditors (under the Prescribed Part) and then take the requisite steps to dissolve the Company; or if appropriate, to apply to the Court to obtain an order pursuant to Section 176A(5) that Section 176A(2) (Prescribed Part for unsecured debts) shall not apply.

If there is a distribution to unsecured creditors, the Administrators are discharged from liability in respect of any action of theirs as Administrators pursuant to paragraph 98(1) of Schedule B1 of the Act upon registration of the notice given pursuant to Paragraph 84 of Schedule B1 of the Act. Where there will be no distribution to unsecured creditors, the Administrators will seek their discharge from the secured creditor.

6.4. EC Regulations

As stated in the appointment documentation, in relation to the Companies Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that Regulation.

6.5 Third Party Assets

Should you believe that you own items that may have been present at the Companies former trading premises at the date of appointment please contact the Administrators as soon as possible.

**7. STATEMENT OF PROPOSALS PURSUANT TO PARAGRAPH 49 OF
SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

**Rawcliffe Developments Limited
(formerly Linton Construction (UK) Limited)**

Case No. 890 of 2009

Chattanooga Properties Limited

Case No. 891 of 2009

All in Administration (each being "a Company" and together being "the Companies")

The Administrators' proposals are as follows:

1. the Administrators continue to manage the affairs and realise any remaining assets of the Companies and deal with the settlement of all Administration expenses;
2. the Administrators continue with their enquiries into the conduct of the directors of the Companies and will assist any regulatory authorities with their investigations into the affairs of the Companies;
3. the Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors, where applicable, against each of the Companies unless the Administrators conclude, in their reasonable opinion, that a Company will have no assets available for distribution;
4. the Administrators be authorised to distribute funds to the secured and preferential creditors, where applicable, as and when claims are agreed and funds permit and, in relation to distributions to unsecured creditors, if the Court gives permission following an appropriate application;
5. that, in the event the creditors of each Company so determine, at meetings of creditors, a Creditors Committee be appointed in respect of each or any Company comprising of not more than five and not less than three creditors of that Company or Companies;
6. that, in respect of each Company, the Creditors' Committee, if one is appointed, shall be asked to agree that the Administrators' fees be fixed by reference to the time given in attending to matters arising in the Administrations and asked to agree the Administrators' expenses.
7. that, if a Creditors' Committee is not appointed, the secured and preferential creditors of each Company shall be asked to agree the Administrators' fees, in accordance with Rule 2.106(5A)(a), by reference to the time given in attending to matters arising in the Administration and that the Administrators' expenses for mileage be calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte LLP at the time when the mileage is incurred (presently up to 40p per mile);
8. that, following the realisation of assets and resolution of all matters in the Administrations, and as quickly and efficiently as is reasonably practicable, the Administrators implement the most cost effective steps to formally conclude the Administrations. This may be in a dissolution of the Companies or alternatively,

seeking to put each or any of the Companies into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation, depending on which option will result in a better realisation for creditors;

9. that, if each or any of the Companies were to be placed into CVL, the Administrators propose to be appointed Liquidators and any Creditors' Committees appointed will become Liquidation Committees pursuant to R4.174 of the Rules. As per paragraph 83(7) of Schedule B1 of the Act and R2.117 (3) of the Rules, the creditors may nominate a different person to be Liquidator(s) provided the nomination is made before the proposals are approved by creditors. For the purposes of s231 of the Act the Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.
10. in the absence of Creditors' Committees, the secured and preferential creditors (to the extent that they exist) of each Company shall be asked to agree that the Administrators be discharged from liability per paragraphs 98 and 99 of Schedule B1 of the Act immediately upon the Administrators' filing their final report to creditors.

Yours faithfully

For and on behalf of Rawcliffe Developments Limited and Chattanooga Properties Limited

A P Berry and D F Butters
Administrators of the Companies - In Administration
Deloitte LLP
1 City Square
Leeds
LS1 2AL

STATUTORY INFORMATION**APPENDIX 1****Company information**

Name	Rawcliffe Developments Limited
Company number	03802360
Date incorporated	7 July 1999
Registered office	c/o Deloitte LLP 1 City Square Leeds LS1 2AL
Trading address	Linton House Rawcliffe Industrial Estate York YO30 5XY
Bank	Yorkshire Bank plc
Auditors	Gardiners Limited

Directors & Officers

Director	Michael Croston
Director	Andrew Hudson
Company Secretary	Michael Croston

Share Capital and Shareholders

Authorised share capital	1,000 ordinary shares of £1 each
Allotted share capital	6 ordinary shares of £1 each
Shareholders	Michael Croston (50%) and Andrew Hudson (50%)

Administrators

Court	High Court of Justice Chancery Division Leeds Registry
Court reference	890 of 2009
Administrators	A P Berry and D F Butters Deloitte LLP 1 City Square Leeds LS1 2AL
Date appointed	25 March 2009

Company information

Name	Chattanooga Properties Limited
Company number	05255487
Date incorporated	11 October 2004
Registered office	c/o Deloitte LLP 1 City Square Leeds LS1 2AL
Trading addresses	Linton House Rawcliffe Industrial Estate York YO30 5XY
Bank	Yorkshire Bank plc
Auditors	Gardiners Limited

Directors & Officers

Director	Michael Croston
Director	Andrew Hudson
Company Secretary	Michael Croston

Share Capital and Shareholders

Authorised share capital	80 ordinary shares of £1 each
Allotted share capital	80 ordinary shares of £1 each
Shareholders	Michael Croston (50%) and Andrew Hudson (50%)

Administrators

Court	High Court of Justice Chancery Division Leeds Registry
Court reference	891 of 2009
Administrators	A P Berry and D F Butters Deloitte LLP 1 City Square Leeds LS1 2AL
Date appointed	25 March 2009

**Joint Administrators' Abstract Of Receipts and Payments
To 28 April 2009**

APPENDIX 2

Rawcliffe Developments Limited	Fixed Charge	Floating Charge	Total
Receipts			
Sales	-	-	-
Payments			
Insurance	(228.2)	-	(228.2)
Advertising	(276.9)		(276.9)
Balance in hand	<u>(505.1)</u>	<u>-</u>	<u>(505.1)</u>

Chattaonnoga Properties Limited	Fixed Charge	Floating Charge	Total
Receipts			
Sales	-	-	-
Payments			
Insurance	(228.2)		(228.2)
Advertising	(276.9)		(276.9)
Balance in hand	<u>(505.1)</u>	<u>-</u>	<u>(505.1)</u>

STATEMENT OF AFFAIRS
CHATTANOOGA PROPERTIES LIMITED – IN ADMINISTRATION

Rule 2.29

Form 2.14B

Statement of affairs

Name of Company
 Chattanooga Properties Limited

Company number
 5255487

In the High Court of Justice, Chancery Division,
 Leeds District Registry.

Court case number
 891 of 2009

(a) Insert name and address of
 registered office of the company

Statement as to the affairs of Chattanooga Properties Limited, 1 City Square, Leeds, LS1
 2AL on the 25 March 2009, the date that the company entered administration.

(b) Insert date

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the
 affairs of the above named company as at 25 March 2009, the date that the company entered
 administration.

Full name MONTY PAUL CROFTON

Signed [Signature]

Dated 17-04-09

Assets

Village Street, Rawcliffe, York
5 NEW HAWES
1 NEW OFFICE BLOCK

Uncharged assets:

Estimated total assets available for preferential creditors

Signature M.P. Choudhary Date 17-04-09

[illegible]

A1 – Summary of Liabilities

		Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)		£ 1.2 mill
Liabilities		
Preferential creditors:-	YORKSHIRE BANK 250 K	£ 250 K
Estimated deficiency/surplus as regards preferential creditors	(General Creditor)	£
Estimated prescribed part of net property where applicable (to carry forward)	£ 43 K	
Estimated total assets available for floating charge holders	£	157 K
Debts secured by floating charges	£ —	
Estimated deficiency/surplus of assets after floating charges	£	
Estimated prescribed part of net property where applicable (brought down)	£	£ 43 K
Total assets available to unsecured creditors	£	
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£ £ 100 K	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£	£
Shortfall to floating charge holders (brought down)	£	
Estimated deficiency/surplus as regards creditors	£	£ 100 K
Issued and called up capital	£ 80.00	
Estimated total deficiency/surplus as regards members	£	100 K

Signature

M. P. Oulton

Date

17/04/09

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession.

Signature M. L. Goffard Date 17/04/09

STATEMENT OF AFFAIRS

Signature M. C. Costantini Date 17/04/09

RAWCLIFFE DEVELOPMENTS LIMITED – IN ADMINISTRATION

Rule 2.29

Form 2.14B

Statement of affairs

Name of Company
Rawcliffe Developments Limited

Company number
3802360

In the High Court of Justice, Chancery Division,
Leeds District Registry.

Court case number
890 of 2009

(a) Insert name and address of
registered office of the company

Statement as to the affairs of Rawcliffe Developments Limited, 1 City Square, Leeds, LS1
2AL on the 25 March 2009, the date that the company entered administration.

(b) Insert date

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the
affairs of the above named company as at 25 March 2009, the date that the company entered
administration.

Full name MICHAEL PAUL ORRISON

Signed [Signature]

Dated 17/04/09

A - Summary of Assets

Assets

Assets subject to fixed charge:

Transit Rack up

Assets subject to floating charge:

Uncharged assets:

Money due from Chattanooga
SERVER

Furniture Monome

Person COPIER

Estimated total assets available for preferential creditors

Book Value £	Estimated to Realise £
8K	81K
350K	350K
3K	3150-00
750	290-00
2K	500-00
363,750-00	359,050-00

Signature

Ant. C. [Signature] Date 17/12/09

A1 – Summary of Liabilities

	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£ 359,050
Liabilities	
Preferential creditors:-	
Estimated deficiency/surplus as regards preferential creditors	£ 359,050
Estimated prescribed part of net property where applicable (to carry forward)	£ 359,050
Estimated total assets available for floating charge holders	£
Debts secured by floating charges <i>HP 080000</i>	£ 3800
Estimated deficiency/surplus of assets after floating charges	£ 355,250
Estimated prescribed part of net property where applicable (brought down)	£
Total assets available to unsecured creditors	£ 355,250
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£ 332,618
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£ 22,632
Shortfall to floating charge holders (brought down)	£
Estimated deficiency/surplus as regards creditors	£ 22,632
Issued and called up capital	£ 6
Estimated total deficiency/surplus as regards members	£ 22,625

Signature *Mr. C. [Signature]* Date 17/04/09

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession.

Signature Md. Cusht Date 17/08/09

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal Value	Details of Shares held
Aileen Weston	60 Elmington Park, York	3	3	
Michael Graham	34 Malvern Ave, York	3	3	
	TOTALS	6	6	

M. J. C. C. C.

TIME COSTS
APPENDIX4
RAWCLIFFE DEVELOPMENTS LIMITED AND CHATTANOOGA PROPERTIES LIMITED
From 25 March 2009 to 28 April 2009

Classification of Work Function	Partner hours	Manager hours	Other Senior Professional Hours	Total Hours	Time Costs £	Average Hourly Rate £
Rawcliffe Developments Limited						
Administration & Planning						
Immediate Actions		11.0	11.0	22.0	4,845.0	220
Reporting		12.5	-	12.5	3,492.5	279
Realisation of Assets						
Freehold property	10.0	-	-	10.0	5,445.0	545
Creditors						
Unsecured		2.5	-	2.5	662.5	265
Case Specific Matters						
Tax & VAT		0.4	-	0.4	128.0	320
Total Hours	10.0	26.4	11.0	47.4	14,573.0	307

Classification of Work Function	Partner hours	Manager hours	Other Senior Professional Hours	Total Hours	Time Costs £	Average Hourly Rate £
Chattanooga Properties Limited						
Administration & Planning						
Immediate Actions		5.0	5.5	10.5	2,320.0	221
Total Hours	-	5.0	5.5	10.5	2,320.0	221

PROOF OF DEBT FORM

Please complete the attached proof of debt form and return the completed form, along with copies of statements and outstanding invoices to substantiate your claim, marked for the attention of Jonathan Lees at the following address:

Deloitte LLP
1 City Square
Leeds
LS1 2AL

Please note that if you have already completed and returned a proof of debt form there is no requirement to complete the form attached.

PROOF OF DEBT - GENERAL FORM

**In the matter of Rawcliffe Developments Limited
In Administration
and in the matter of The Insolvency Act 1986**

Date of Administration Order 25 March 2009

1.	Name of Creditor	
2.	Address of Creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4.	Details of any document by reference to which the debt can be substantiated. [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5.	If the total amount shown above includes Value Added Tax, please show:- (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6.	If total amount above includes outstanding uncapitalised interest please state amount	£
7.	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9.	Particulars of how and when debt incurred.	
10.	Particulars of any security held, the value of the security, and the date it was given	£
11.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

PROOF OF DEBT - GENERAL FORM

**In the matter of Chattanooga Properties Limited
In Administration
and in the matter of The Insolvency Act 1986**

Date of Administration Order 25 March 2009

1.	Name of Creditor	
2.	Address of Creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4.	Details of any document by reference to which the debt can be substantiated. [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5.	If the total amount shown above includes Value Added Tax, please show:- (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6.	If total amount above includes outstanding uncapitalised interest please state amount	£
7.	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9.	Particulars of how and when debt incurred.	
10.	Particulars of any security held, the value of the security, and the date it was given	£
11.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

Rule 2.35

Notice of a meeting of Creditors

Name of Company Rawcliffe Developments Limited	Company number 3802360
In the High Court of Justice (full name of court)	Court case number 890

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

Notice is hereby given by (a)
Adrian Peter Berry
Deloitte LLP
1 City Square
Leeds
West Yorkshire
LS1 2AL

Daniel Francis Butters
Deloitte LLP
1 City Square
Leeds
West Yorkshire
LS1 2AL

(b) Insert full name and
address of registered
office of the company

that a meeting of creditors of (b)
Rawcliffe Developments Limited
1 City Square
Leeds
LS1 2AL

(c) Insert details of place
of meeting

is to be held at (c)
Deloitte LLP
1 City Square
Leeds
LS1 2AL

(d) Insert date and time
of meeting

on (d) **15 May, 2009** at **10:00**

The meeting is:

*Delete as applicable

~~*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')~~
~~*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~
~~*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~
~~*(4) a further creditors' meeting under paragraph 56 of the Schedule~~
~~*(5) a creditors' meeting under paragraph 62 of the Schedule.~~

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed 
Joint / Administrator(s)

Dated **28/4/09**

*Delete as applicable

A copy of the *proposals/ revised proposals is attached

Rule 2.35

Notice of a meeting of Creditors

Name of Company Chattanooga Properties Limited	Company number 5255487
In the High Court of Justice, Chancery Division (full name of court)	Court case number 891 of 2009

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

Notice is hereby given by (a)
Adrian Peter Berry
Deloitte LLP
1 City Square
Leeds
West Yorkshire
LS1 2AL

Daniel Francis Butters
Deloitte LLP
1 City Square
Leeds
West Yorkshire
LS1 2AL

(b) Insert full name and
address of registered
office of the company

that a meeting of creditors of (b)
Chattanooga Properties Limited
1 City Square
Leeds
LS1 2AL

(c) Insert details of place
of meeting

is to be held at (c)
Deloitte LLP
1 City Square
Leeds
LS1 2AL

(d) Insert date and time
of meeting

on (d) 15 May

at 10:00am

The meeting is:

*Delete as applicable

*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')
~~*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~
~~*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~
~~*(4) a further creditors' meeting under paragraph 56 of the Schedule~~
~~*(5) a creditors' meeting under paragraph 62 of the Schedule.~~

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed



Joint / Administrator(s)

Dated

27/4/09

*Delete as applicable

A copy of the *proposals/ revised proposals is attached