Rule 2 47

Form 2 24B(CH)

The Insolvency Act 1986

Administrator's progress report

Name of Company	Company Number
AHL Garratt Lane Trading Limited	05578203

In the	Court case number
High Court of Justice, Chancery Division, Companies Court (full name of court)	9117 of 2013

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

We (a) David Baxendale, Mark Batten and Robert Lewis of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT

administrators of the above company attach a progress report for the period

(b) Insert dates

from (b) 23/12/2013 to (b) 22/06/2014

Signed ____________

Joint Administrator

Dated 14 July 2014

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

Genevieve Iwu	
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n you have completed and signed this form please send it to the Registrar of Companies at

ipanies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff pwc

AHL Garratt Lane Trading Limited – in Administration
High Court of Justice, Chancery Division, Companies Court
Case No. 9117 of 2013

Joint Administrators' progress report for the period from 23 December 2013 to 22 June 2014

14 July 2014

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Contents

1. Joint Administrators' progress report for the period from 23 December 2013 to 22 June 2014

Introduction

In accordance with Rule 2.47 of the Insolvency Rules 1986 ("IR86"), the Joint Administrators (the "Administrators") write to provide creditors with details of the progress of the Administration of AHL Garratt Lane Trading Limited (the "Company") in the six months since the Administrators' appointment on 23 December 2013

The Administrators are required to provide certain statutory information pursuant to Rule 2 47(1)(a) to (d) IR86, which is included in Section 2.

Background information and initial actions taken by the Administrators

As at the date of the Administrators' appointment on 23 December 2013 the position as regards the Company was as follows -

- The Company is part of a group of companies (the "Group") that owns a portfolio of approximately 650 shared ownership and social housing units 17 companies within the Group, including the Company, entered administration on 23 December 2013. A further two Group companies entered administration on 5 February 2014.

- The Group's indebtedness to The Royal Bank of Scotland Plc (the "Bank") was approximately £100m with a further amount due in relation to a swap break liability The Group's loan facilities with the Bank expired in October 2011 and a dialogue was entered into between the Bank and the Group with a view to securing alternative financing

- The Group was not able to secure alternative funding and accordingly the Bank took the decision to appoint Administrators to take control of the Group's assets.

Following an initial review of the Group, the Administrators concluded that the most appropriate strategy was to continue to trade the Group whilst seeking a purchaser(s) of the Group's property portfolio

Immediately following their appointment, the Administrators took steps to protect and preserve the Group's assets The Group's assets comprise

- Interests in 14 property developments across the United Kingdom, providing affordable housing in the form of shared ownership and socially rented units,

- Rental income from the Group's shared ownership and socially rented units, and

- Income arising from the staircasing of the Group's shared ownership units

The Company owns 27 shared ownership units in a development in London

Trading

The Administrators initially engaged Assettrust Housing Limited ("AHL") (the Group's ultimate parent company) to act as property manager to the Group

The Administrators subsequently engaged Touchstone CPS Limited ("Touchstone") as property manager to oversee the trade of the Group Touchstone is also responsible for overseeing the performance of the housing associations ("HAs"), including reviewing the debtor and creditor positions with the HAs and the funding required by them

A summary of the Company's trading receipts and payments account for the period 23 December 2013 to 31 May 2014 is enclosed in Section 3

Rental income

In the period 23 December 2013 to 31 May 2014, the Company has received shared ownership rent of £89,101 The Bank has a fixed charge in relation to all rents received

Service charge and ground rent income is held for the benefit of the tenants and not the Company Accordingly, this is third party money not available for creditors of the Company

Staircasing of shared ownership properties

Staircasing is where a property owner purchases an additional portion of their shared ownership property This enables the shared ownership property owners to acquire and own a greater proportion of their home over time

During the reporting period, the Company's staircasing realisations totalled £530,000

Freehold/Leasehold Properties

Shortly after their appointment, the Administrators instructed Savills (UK) Limited ("Savills") to review the Group's property portfolio and commence marketing with a view to completing a sale of the properties (whether on a portfolio or piecemeal basis) by the end of 2014.

Expressions of interest have been received from a number of parties and a preliminary deadline of 12 July 2014 was set for receipt of bids from interested parties Should you be interested in acquiring some or all of the portfolio of properties, please contact Piers de Winton of Savills on *PdeWinton@savills.com*

Employees

The transfer of the property management function to Touchstone meant that four employees of AHL would transfer to Touchstone under the Transfer of Undertaking (Protection of Employment) Regulations The Group therefore provided an indemnity to Touchstone for any liabilities arising under its engagement. Assettrust Housing Projects Limited ("AHPL") was invoiced £13,811 15 after the reporting period by Touchstone under the terms of the indemnity.

Approval of the Administrators' proposals

On 12 February 2014, the Administrators circulated to creditors their proposals for achieving the purpose of administration

The Administrators stated in their proposals that they had formed the view that the Company has insufficient property to enable a distribution to be made to unsecured creditors by virtue of the prescribed part (in accordance with Section 176A of the Insolvency Act 1986) or otherwise

The Administrators' proposals were deemed approved in accordance with Rule 2 33(5) on 25 February 2014, a meeting of creditors not having been requisitioned by creditors in the prescribed manner

Expenses statement

Statements of expenses incurred by the Company and by Assettrust Housing Projects Limited for the benefit of the Group in the period 23 December 2013 to 31 May 2014 are included at Section 4

The statements exclude any potential tax liabilities that may be payable as expenses of the Administration in due course because amounts due will depend on the position at the end of the tax accounting period

Administrators' remuneration

As stated in the Administrators' proposals, the Bank as the secured creditor will be the approving body for the basis and quantum of the Administrators' remuneration

The Bank has approved the Administrators' remuneration across the Group on a time costs basis It is also envisaged that the Bank will approve a proportion of the Administrators' remuneration on a percentage of realisations basis

The time cost charges incurred by the Company in the period covered by this report are £60,735 This amount does not necessarily reflect the amount that will be drawn as remuneration In accordance with the requirements of Statement of Insolvency Practice 9, a full analysis of the

1. Joint Administrators' progress report for the period from 23 December 2013 to 22 June 2014

Administrators' time costs for the period 23 December 2013 to 22 June 2014 is provided in Section 5

Following the reporting period, the Administrators drew remuneration of £500,000 plus VAT across the Group

Creditors' rights

A statement of creditors' rights in relation to the Administrators' remuneration and expenses is set out at Section 7.

Pre-Administration costs

Information regarding the pre-Administration costs previously detailed in the Administrators' proposals can be found at Section 6 of this report.

Outcome for creditors

The Bank's debts are issued to and guaranteed by various companies in the Group and it is currently envisaged that the Bank will suffer a shortfall under its lending

There are no preferential creditors of the Company

The Administrators do not anticipate that there will be any funds available for distribution to the Company's unsecured creditors, by virtue of the prescribed part or otherwise All assets of the Company are expected to be caught by the Bank's fixed charge

The Administrators currently envisage that once the objective of the Administration has been achieved, the Administrators will file notice under Paragraph 84(1) Sch B1 IA86 with the Registrar of Companies, following registration of which the Company will be dissolved three months later

Next report

The Administrators anticipate that they will circulate their next report to creditors at the earlier of the conclusion of the Administration or in approximately six months

David Baxendale
Joint administrator
AHL Garratt Lane Trading Limited – in Administration

David Baxendale, Mark Batten and Robert Lewis have been appointed as Joint Administrators of Assettrust Housing Projects Limited, AHL Woolwich Arsenal Trading Limited, AHL Point Pleasant Trading Limited, AHL Langley Trading Limited, AHL Southfields Trading Limited, AHL Riverside Court Trading Limited, AHL Garratt Lane Trading Limited, AHL City Quarter Trading Limited, AHL Pan Peninsula Trading Limited, AHL Hunton Bridge Wharf Investment Limited, AHL Hunton Bridge Wharf Trading Limited, AHL The Forge Trading Limited, AHL The Forge Investments Limited, AHL C&A Trading Limited, AHL Woodlands Village Trading Limited, AHL Pall Mall Trading Limited, AHL Worcester Waterside Trading Limited, AHL City Quarter Investments Limited and AHL C&A Investments Limited to manage their affairs, business and property as their agents and without personal liability David Baxendale, Mark Batten and Robert Lewis are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales

The Joint Administrators are Data Controllers of personal data as defined by the Data Protection Act 1998 PricewaterhouseCoopers LLP will act as Data Processor on their instructions Personal data will be kept secure and processed only for matters relating to the Administration

2. Statutory and other information

Court details for the Administration:	High Court of Justice, Chancery Division, Companies Court Case No 9117 of 2013
Full name:	AHL Garratt Lane Trading Limited
Trading name:	AHL Garratt Lane Trading Limited
Registered number:	05578203
Registered address:	7 More London Riverside, London SE1 2RT
Company directors:	Giles Patrick Cyril Mackay (resigned 13/1/2014), David Alexander Orchin (resigned 13/1/2014), Frank Anthony Newell (resigned 31/3/2011)
Company secretary:	None
Shareholdings held by the directors and secretary:	None
Date of the Administration appointment:	23 December 2013
Administrators' names and addresses:	David Robert Baxendale, Mark Charles Batten and Robert Nicholas Lewis of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT
Details of any extension(s) to the initial period of appointment	Not applicable
Changes in office holder:	None
Appointor's / applicant's name and address:	The Royal Bank of Scotland Plc of 36 St Andrew Place, Edinburgh EH2 2YB
Objective being pursued by the Administrators:	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)
Division of the Administrators' responsibilities:	Any act required or authorised to be done by the Administrators may be done by all or any one of the Administrators for the time being holding office This statement is made pursuant to paragraph 100(2) of Schedule B1 of the Insolvency Act 1986
Proposed end of the Administration:	The Administrators currently envisage that once the objective of the Administration has been achieved the Administrators will file notice under Paragraph 84(1) Sch B1 IA86 with the Registrar of Companies, following registration of which the Company will be dissolved three months later
Estimated dividend for unsecured creditors:	Nil
Estimated values of the prescribed part and the company's net property:	Nil
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	Not applicable
The European Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings

3. Receipts and payments account for the period 23 December 2013 to 31 May 2014

AHL Garratt Lane Trading Limited - in administration
Abstract of the Joint Administrators' receipts and payments account for the period 23 December 2013 to 31 May 2014

	Fixed Charge 23/12/2013 to 31/05/2014 £
Receipts	
Cash at bank	487,825
Staircasing proceeds	530,000
Interest received net	48
Third party funds (see below)	15,436
Net trading profit/(loss) (see below)	53,540
	1,086,849
Payments	
Distribution to secured creditor	454,364
	454,364
Balance (held in interest bearing account)	632,485

Trading Account

	Fixed Charge 23/12/2013 to 31/05/2014 £
Receipts	
Shared ownership rental income	89,101
Interest received net	482
	89,583
Payments	
Other trading payments	2,746
Bonus payments to housing association	33,250
Bank charges	47
	36,043
Trading Balance	53,540

Third Party Funds

	Third Party Funds 23/12/2013 to 31/05/2014 £
Receipts	
Service charges collected from tenants	27,084
Ground rent collected from tenants	3,157
	30,241
Payments	
Service charge expenditure	11,044
Housing association and management company fees	3,761
	14,805
Third Party Funds Balance	15,436

In accordance with Statement of Insolvency Practice 7, the Joint Administrators have shown the trading receipts and payments separately

Notes

1 Due to the number of trading units within the Group's portfolio as well the as timing of rental/service charge income, the receipts and payments accounts can only be accurately reconciled to 31 May 2014 for inclusion in this report within the reporting deadline presented
2 Service charge receipts are third party funds and are not available for the benefit of creditors They are used to discharge service charge costs for the developments
3 The Company is not able to recover VAT and amounts are shown inclusive of VAT where applicable.

4. Statement of expenses incurred in the period 23 December 2013 to 31 May 2014

Expenses incurred in the period which relate to services which benefit the Group as a whole are charged to AHPL The Administrators may seek, in future, to recharge some of these costs throughout the Group

The following represents the expenses incurred for the benefit of the Group for the period 23 December 2013 to 31 May 2014

Assettrust Housing Projects Limited - Statement of expenses incurred on behalf of the Group in the period 23 December 2013 to 31 May 2014

Nature of expense	Incurred in period	Amount paid in period	Incurred but not paid
	£	£	£
Administrators' category 1 disbursements (search fees, subsistence, travel, courier charges and telephone usage)	3,560	-	3,560
Administrators' remuneration	600,000	-	600,000
Administrators' category 2 disbursements	1,872	-	1,872
Legal fees and disbursements (Addleshaw Goddard LLP and Winkworth Sherwood LLP)	214,796	-	214,796
Asset management fees and disbursements (Assettrust Housing Limited, Gordon Whiteford and Touchstone CPS Limited)	543,377	525,357	18,020
Agents' fees (Savills (UK) Limited)	45,000	-	45,000
Redundancy costs	13,811	-	13,811
Statutory advertising costs	546	546	-
Insurance	5,037	5,037	-
Trading expenses	148	148	-
Total	**1,428,147**	**531,087**	**897,060**

The companies which make up the Group are unable to recover VAT and amounts above are shown inclusive of VAT where applicable

The above statement of expenses includes £500,000 plus VAT in relation to the Administrators' remuneration across the Group, being the amount that has currently been agreed by the Bank

4. Statement of expenses incurred in the period 23 December 2013 to 31 May 2014

Category 2 expenses are costs that are directly referable to an appointment but not to a payment to an independent third party They may include shared or allocated costs that can be allocated to an appointment on a proper and reasonable basis No approval has been received from the Bank for category 2 disbursements Category 2 expenses of £1,560 plus VAT were incurred for the benefit of the Group in the period

The following represents expenses incurred by the Company for the period 23 December 2013 to 31 May 2014

Nature of expense	Incurred in period	Amount paid in period	Incurred but not paid
	£	£	£
Administrators' category 1 disbursements (search fees, subsistence, travel, courier charges and telephone usage)	65	-	65

4. Statement of expenses incurred in the period 23 December 2013 to 31 May 2014

Summary of legal and other professional firms instructed in the period 23 December 2013 to 22 June 2014

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Property legal advice	Winkworth Sherwood LLP	Incumbent lawyers of the Group providing legal services for the assignment and staircasing of properties	A fixed fee, which is paid by tenants, is charged for each staircasing and assignment Any additional work undertaken at the request of the Administrators is charged on a fixed fee or time cost basis
Legal advice	Addleshaw Goddard LLP	Specialist insolvency expertise and pre-appointment involvement Assignment and staircasing work have been transitioned to Addleshaw Goddard LLP from Winkworth Sherwood LLP	A fixed fee which is paid by tenants is charged for each staircasing and assignment Any additional work undertaken at the request of the Administrators is charged on a time cost basis
Asset management	Assettrust Housing Limited	Incumbent asset manager	Fixed management fee
Asset management	Touchstone CPS Limited	Specialist expertise in property management	Fixed management fee plus a percentage of rents collected
Asset management	Gordon Whiteford	Specialist expertise in property management	Fixed management fee
Sale of property	Savills UK Limited	Specialist property expertise in the marketing of properties	Percentage of realisations

The Administrators require all third party professionals to submit time cost analyses and narrative or a schedule of realisations achieved in support of invoices rendered

5. Analysis of the Administrators' remuneration for the period 23 December 2013 to 22 June 2014

AHL Garratt Lane Trading Limited - in administration
Summary of time costs incurred in the period 23 December 2013 to 22 June 2014

Classification of work	Partner		Director		Senior Manager		Manager		Senior Associate		Associate		Total		Average Hourly Rate (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Strategy & planning	-	-	4.64	3,157	-	-	3.60	1,600	0.25	69	0.09	18	8.58	4,844	564.57
Investigations	-	-	0.05	36	-	-	1.20	533	6.40	2,337	2.49	564	10.14	3,470	342.21
Creditor claims/distributions	-	-	0.13	89	-	-	1.24	551	0.50	138	0.08	16	1.95	794	407.18
Accounting and treasury	-	-	0.03	18	-	-	0.15	68	2.06	566	3.26	631	5.50	1,283	233.27
Reporting to appointor/committee	1.97	1,526	1.79	1,217	-	-	2.22	984	0.11	31	-	-	6.09	3,758	617.08
Statutory and compliance	-	-	-	-	0.02	11	4.10	1,813	4.37	1,225	14.01	2,924	22.50	5,973	265.47
Employees & pensions	-	-	0.13	89	-	-	2.48	1,013	0.15	41	-	-	2.76	1,143	414.13
Insurance	-	-	-	-	-	-	0.48	213	0.88	246	0.22	35	1.58	494	312.66
Management of assets	-	-	2.30	1,566	-	-	9.08	3,991	36.13	12,726	0.05	11	47.56	18,294	384.65
Sale of assets/business	0.80	645	12.63	8,335	0.02	11	7.34	3,253	1.29	357	0.17	36	22.25	12,637	567.96
Tax & VAT	-	-	0.03	18	0.59	475	0.69	313	1.72	693	1.20	212	4.23	1,711	404.49
Trading	-	-	0.22	152	-	-	6.37	2,827	0.25	69	1.92	393	8.76	3,441	392.81
Budgets & cost monitoring	-	-	-	-	0.02	8	1.56	692	0.57	157	0.83	170	2.98	1,027	344.63
Staircasing & assignments	-	-	-	-	0.01	6	-	-	-	-	7.96	1,632	7.97	1,638	205.52
Website & press inquiries	-	-	-	-	-	-	0.39	171	0.11	41	0.08	16	0.58	228	393.10
Total	2.77	2,171	21.95	14,677	0.66	511	40.90	18,022	54.79	18,696	32.36	6,658	153.43	60,735	395.85

Chargeout rates to 30 June 2014

Grade	Business Recovery Services Max £/hour	Specialist Max £/hour
Partner	775	1,075
Director	680	990
Senior Manager	525	905
Manager	444	545
Senior Associate	370	410
Associate	230	210
Support Staff	115	120

The time costs incurred in the period which relate to the Group as a whole are charged to a group code (the "Group Code") and the time costs which relate to services provided to the Company are charged to a separate code (the "Company Code") The above summary of the Company's time costs for the period comprises time costs charged to the Company Code and an equal proportion of the time costs charged to the Group Code split evenly across the Group companies

The Administrators' remuneration has been fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration The Administrators and their staff charge time in multiples of 0 05 of an hour

Specialist departments within PricewaterhouseCoopers LLP, such as Tax, VAT and Pensions, do sometimes charge a small number of hours, should we require their expert advice Their rates do vary; however, the figures shown give an indication of the maximum rate per hour In common with all professional services firms, the scale rates used by the Joint Administrators from PricewaterhouseCoopers LLP may periodically rise (for example to cover annual inflation cost increase) over the period of the Administration Any material amendments to these rates will be advised to the creditors in the next statutory report

5. Analysis of the Administrators' remuneration for the period 23 December 2013 to 22 June 2014

Narrative of the Joint Administrators' time costs for the period 23 December 2013 to 22 June 2013

Strategy & Planning

- Regular meetings with appointee and staff to discuss and plan case progression
- Regular meetings to review issues and agree case strategy

Investigations

- Locating, securing and reviewing the accounting and statutory books and records for the Company
- Making inquiries of former management regarding outstanding books and records and matters identified during review of financial records
- Issuing and following up as necessary on directors' questionnaires
- Investigation into the directors' conduct and compliance with Company Directors Disqualification Act ("CDDA")
- Discharging statutory duties under the CDDA

Creditor claims/distributions

- Staffing the creditors' helpline, answering queries and forwarding inquiries to the relevant party
- Responding to creditor inquiries and requisite follow up action
- Constructing and maintaining an accurate creditor listing for the Company based on various sources of information provided by directors and compiling all claims received to date
- Circulating notices of the Joint Administrators' proposals to creditors

Accounting and treasury

- Opening two bank accounts for the Company
- Compiling and updating a master list of all bank accounts held by the Company pre and post appointment
- Setting up the bank accounts on the Administrators' accounting system
- Discussions regarding bank balances and timing of payments
- Liaising with cashiers regarding queries on accounts
- Requesting up to date Bank statements
- Drafting funding requests to charge holder
- Checking receipts for sales proceeds from staircasing transactions
- Preparing receipt vouchers and updating account records
- Reviewing payment documents and effecting payments (whether through on line facilities or raising cheques)
- Preparing and reviewing bank reconciliations
- Preparing FIDES forms to setup electronic funds transfer systems
- Scanning of documents for internal records and compliance
- Reviewing the funding agreement and facilitating drawdowns

5. Analysis of the Administrators' remuneration for the period 23 December 2013 to 22 June 2014

- Assessment of flow of funds going forward

Reporting to appointor/committee

- Regular meetings and phone calls with RBS
- Planning for meetings with RBS and preparing agendas and minutes
- Reviewing and finalising the funding agreement
- Meetings with RBS and lawyers regarding section 106 agreements
- Meetings with sales agents for property portfolio
- Updating RBS on case progression
- Drafting a time costs report for RBS

Statutory and compliance

- Confirmation of the validity of the Administrators' appointment
- Liaising with the Directors regarding the preparation of the Statements of Affairs, review and filing at Companies House of the same
- 'Day one' matters and preparing and submitting statutory notifications following the appointment of Administrators
- Preparing and circulating the Administrators' proposals
- Reviewing appointments and preparing a schedule of all directors who have been active within the last three years
- Ensuring all internal compliance requirements are met
- Changing the registered office of the Company and informing the Data Protection Commissioner of the change
- Notifying the Company's bankers of the Administrators' appointment
- Updating the Administrators' internal database to adhere to compliance requirements
- Internal meetings regarding time charging policy and codes

Employees & pensions

- Completing a Transfer of Undertakings (Protection of Employment) Regulations 1981 ("TUPE") assessment and holding regular planning meetings
- Meetings and correspondence with the directors of the Companies regarding employee arrangements and TUPE
- Liaising with the new property managers regarding TUPE responsibilities
- Meetings and strategy updates after the resignation of key employees
- Preparing and regularly updating a schedule documenting employers liability
- Reviewing the pension position of each of the companies

Insurance

- Reviewing the Administrators' bonding requirements and putting the statutory bond in place
- Liaising with the directors regarding pre-administration insurance position and follow up queries
- Staff discussions regarding the insurance position

5. Analysis of the Administrators' remuneration for the period 23 December 2013 to 22 June 2014

- Completion of the insurance questionnaire and reviewing proposal forms from post-appointment insurance brokers
- Corresponding with the post-appointment insurance brokers via both phone and email regarding insurance requirements
- Reviewing the new insurance cover
- Adhering to compliance requirements, including arranging for the inspection of plant, lift and unoccupied units
- Considering the requirement for property owners' liability insurance
- Discussing freehold property insurance requirements and seeking appointee sign off
- Corresponding with housing associations regarding health and safety reports for each development

Management of assets

- Holding regular meetings to discuss management processes and issues
- Holding meetings with the directors of the Company to discuss current and ongoing management arrangements
- Reviewing AHL proposal to continue asset management and numerous discussions regarding the same
- Preparing and regularly updating financial summaries, including writing up the property log
- Calls with housing associations to discuss asset management arrangements
- Reviewing and signing engagement letters
- Documenting site management procedures and reviewing health and safety and fire risk assessment requirements
- Meetings with key management and employees of the Company
- Liaising with asset managers and property managers and obtaining regular updates
- Ongoing review of service charge demands
- Attending Assettrust offices and initial meetings with housing associations
- Corresponding with the directors of the Company regarding transition to a new property management company
- Dealing with the resignation of the asset manager and transfer of role
- Dealing with the resignation of various employees
- Dealing with the resignation of a housing association
- Dealing with bailiffs looking to distrain over company assets
- Dealing with tenant issues and responding to inquiries received via help line
- Liaising with Touchstone and the Council with regard to issues surrounding repairs to a defective pavement
- Making inquiries of former management in relation to a defective pavement

Sale of assets/business

- Various meetings and correspondence regarding sales strategy
- Meetings with Savills to discuss and review sales particulars
- Reviewing and responding to offers to acquire business and assets
- Responding to requests for information and engaging in discussions and correspondence with prospective purchasers
- Holding weekly calls with RBS to provide progress updates

5. Analysis of the Administrators' remuneration for the period 23 December 2013 to 22 June 2014

- Obtaining legal advice on the sales process and holding regular meetings with legal counsel
- Preparing a financial model for sales purpose and regularly updating the model
- Holding meetings with potential purchasers and funders
- Attending regular meetings / calls with Savills to discuss the sales process, timeline and progress

Tax & VAT

- Advising HMRC of the administration appointment
- Reviewing the initial tax information provided in relation to the Company
- Reviewing and considering VAT position upon appointment
- Summarising annual accounts to review potential recovery of VAT as a bad debt relief claim
- Confirming which entities are members of the VAT group with HMRC and considering the possibility of VAT deregistration or ungrouping
- Analysing the tax treatment of funds subject to a fixed or floating charge
- Completing a tax analysis on gross rental income
- Correspondence and calls with the directors of the Company regarding pre-administration tax and VAT treatment
- Drafting letter requesting tax clearance from HMRC
- Reviewing the potential tax impact of the Company going into liquidation
- Tax compliance strategy and planning meetings

Trading

- Preparing, issuing and reviewing lawyers' tender document
- Reviewing NDA and management agreements
- Discussions with housing associations regarding service charge payments
- Review of proposed asset management agreement and drafting a strategy document for asset manager role
- Strategy planning regarding the AHL management agreement and the transition to Touchstone
- Regular meetings with Touchstone property managers
- Review of Touchstone management agreement and obtaining a legal opinion on the agreement
- Agreement and circulation of final management agreements
- Facilitating the handover from the original asset manager to Touchstone
- Arranging data transfer from AHL to Touchstone
- Reviewing the payment status of service charge demands
- Team strategy meetings for trading
- Discussions regarding asset management requirements
- Planning for attendance at head office regarding updates on trading position
- Regular internal discussions and meetings regarding trading matters and issues
- Review of income and expenditure reports prepared by Touchstone

5. Analysis of the Administrators' remuneration for the period 23 December 2013 to 22 June 2014

Budgets & cost monitoring

- Reviewing and updating the budget
- Preparing reports detailing time costs incurred
- Reviewing and updating the cash flow analysis and confirming bank accounting balances
- Updates and meetings regarding monitoring costs

Staircasing & assignments

- Agreeing standard documentation with law firms and obtaining supporting legal opinions
- Ongoing management and approval of transaction where a shared ownership tenant wishes to purchase an additional share of their property
- Ongoing management and approval of transactions where a shared ownership tenant wishes to sell their share of their property to a third party
- Reviewing all supporting documents for each property transaction and filing of same
- Maintenance of a master list monitoring all assignment and staircasing cases
- Reviewing all execution documentation provided by lawyers and compiling document packages for case manager and appointee approval
- Daily correspondence and phone calls with law firms regarding staircasing and assignments
- Strategy planning regarding law firm transition
- Reviewing weekly progress report from law firms

Website & press inquiries

- Reviewing and responding to press inquiries
- Updating the Joint Administrators' website, including revisions to the FAQs document and uploading statutory documentation
- Updating the website to reflect the change of asset manager

6. Pre-Administration costs

The following represents costs which were incurred prior to the appointment of the Administrators, but with a view to the Company entering Administration and were unpaid as at the date of the Administrators' proposals. The costs below were approved and paid directly by the Bank following the Administrators' appointment

	Amount (£)
Legal fees and disbursements due to Addleshaw Goddard LLP	12,007
Agent's fees due to Savills (UK) Limited	70,200
Total	**82,207**

7. Statement of creditors' rights

The IR86 provide for creditors to request further information and challenge the Administrators' remuneration and expenses The relevant provisions are as follows -

Rule 2.48A Creditors' request for further information

(1) If—

- (a) within 21 days of receipt of a progress report under Rule 2 47—
  - (i) a secured creditor, or
  - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
- (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor,

makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)

(2) The administrator complies with this paragraph by either—

- (a) providing all of the information asked for, or
- (b) so far as the administrator considers that—
  - (i) the time or cost of preparation of the information would be excessive, or
  - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
  - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,

  giving reasons for not providing all of the information

(3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—

- (a) the giving by the administrator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

(4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just "

7. Statement of creditors' rights

Rule 2.109 Creditors' claim that remuneration is or other expenses are excessive

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that—

(a) the remuneration charged by the administrator,
(b) the basis fixed for the administrator's remuneration under Rule 2 106, or
(c) expenses incurred by the administrator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

(3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the administrator was entitled to charge,
(b) an order fixing the basis of remuneration at a reduced rate or amount,
(c) an order changing the basis of remuneration,
(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration,
(e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration