Rule 2 47

Form 2 24B(CH)

The Insolvency Act 1986

Administrator's progress report

Name of Company	Company Number
Solihull Pavilions Limited	06014593

In the	Court case number
High Court of Justice, Chancery Division, Companies Court (full name of court)	2015 of 2012

We, David Christian Chubb and David Matthew Hammond both of PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR,

Administrator(s) of the above company attach a progress report for the period

from	to
(b) 2 March 2012	(b) 1 September 2012

Signed ______________________________
Joint Administrator

Dated 25 September 2012

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

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Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

Solihull Pavilions Limited – in Administration
High Court of Justice, Chancery Division, Companies Court
Case No. 2015 of 2012

Joint Administrators' progress report for the period from 2 March 2012 to 1 September 2012

25 September 2012

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1. Joint Administrators' progress report for the period from 2 March 2012 to 1 September 2012

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 Solihull Pavilions Limited ("the Company") in the six months since the Administrators' appointment on 2 March 2012

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

At this time the Administrators are unable to provide a reliable estimate of the likely dividend to creditors as there are material uncertainties regarding future net realisations and the final level of creditor claims These matters are discussed below

Background information and initial actions taken by the Administrators

As at the date of the Administrators' appointment on 2 March 2012 the position as regards the Company was as follows -

- The Company is part of "The Miller Group" ("the Group") and was incorporated on 30 November 2006 as Miller Solihull Limited The Company changed its name on 26 January 2012 to Solihull Pavilions Limited.
- PricewaterhouseCoopers LLP ("PwC") was engaged in January 2012 by the Company's bankers and secured lender, Clydesdale Bank Plc, ("Clydesdale") and by The Miller Group Limited ("Limited"), the parent company Limited undertook a restructuring of its main banking arrangements and as part of that an agreement was reached to enable Clydesdale to take appropriate action to preserve the value of the Company's assets over which it held security. As a consequence a number of options were explored culminating in Clydesdale deciding to appoint Administrators
- By the time of the Administrators' appointment Clydesdale's borrowing had reduced to £5 2 million following various disposals.

Following their appointment, the Administrators have retained the services of a separate property management company, Pavilions Solihull Management Limited, and the Company's property agent, Colliers International ("Colliers") The Administrators have:-

- Retained the existing terms of trade with suppliers, wherever possible,
- Maintained all statutory and regulatory requirements falling on the Company in relation to Health and Safety, and
- Taken the necessary steps to ensure the Company's assets are sufficiently secure and insured

Trading

Colliers continue to manage the properties. The June quarterly rent and service charge has been invoiced and all payments have been received Rental income is being retained by Colliers in a Client Account on behalf of the Administrators and Receipts and Payments accounts are being provided, by Colliers, to the Administrators on a monthly basis

Sale of business/properties

The property portfolio is made up of vacant premises and occupied leasehold properties Following the formal appointment of the Administrators the marketing of the portfolio has been invigorated via new boards, press articles and updated particulars The refreshed marketing campaign has created good interest in the vacant units.

Agents have also been instructed to market the tenanted units for sale to the existing occupiers As a result Units 1 and 10 are currently under offer

Approval of the Administrators' proposals

On 20 April 2012 the Administrators circulated to creditors their proposals for achieving the purpose of administration

1. Joint Administrators' progress report for the period from 2 March 2012 to 1 September 2012

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 other than by virtue of the prescribed part to be set aside in accordance with Section 176A of the Insolvency Act 1986 ("IA86").

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

Receipts and payments account

As previously stated, Colliers, continue to act as the Company's property agent An account of the receipts and payments held in Colliers' client account for the period from 2 March 2012 to 1 September 2012 is set out in Section 3. In addition, an account of the receipts and payments in the *Administration for the equivalent period is also set out in Section* 3

Receipts in the period comprise -

- Cash at Bank of £42,561,
- Rental income of £48,083,
- Service charge receipts of £6,968;
- Car park rental of £3,969,
- A VAT refund of £49,
- Refunds in respect of pre-paid utility bills of £423; and
- Interest earned of £23 on funds invested

Payments include

- Insurance costs of £9,561 ,
- Colliers International fees £5,250,
- Advertising costs of £3,500,
- Security costs of £1,236 ,
- Refuse collection of £1,681,
- Health & Safety issues of £1,160,
- Electricity charges of £3,410,
- Water charges of £90;
- Pest control of £110,
- Landscaping of £1,250, and
- External repairs of £1,322

In addition, the administrators have paid storage charges of £16

Expenses statement

A statement of the expenses incurred by the Administrators in the period 2 March 2012 to 1 September 2012 is included at Section 4. The *statement* excludes any potential tax liabilities that may be payable as an expense of the Administration in due course because amounts due will depend on the position at the end of the tax accounting period

Administrators' remuneration

The administrators' remuneration has been approved by the secured creditor on a fixed fee basis For a recovery up to £3 million the fixed fee will be £181,000 For a recovery over £5 million it has been agreed that there will be an additional success fee of 100%. For a recovery of between £3 million and £5 million a sliding scale will be applied. To 1 September 2012 the administrators have not drawn any remuneration

Outcome for creditors

It is presently anticipated that the secured creditor will suffer a shortfall under its security

There are no preferential creditors

1. Joint Administrators' progress report for the period from 2 March 2012 to 1 September 2012

The Administrators are as yet unable to comment on whether there will be funds available for distribution to the Company's unsecured creditors by virtue of the prescribed part

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 Chubb
Joint administrator
Solihull Pavilions Limited

David Christian Chubb and David Matthew Hammond have been appointed as joint administrators of Solihull Pavilions Limited to manage its affairs, business and property as its agents and act without personal liability Both 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:	The High Court of Justice, Chancery Division, Companies Court, 2015 of 2012
Full name:	Solihull Pavilions Limited
Trading name:	Solihull Pavilions Limited
Registered number:	06014593
Registered address:	PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR
Company directors:	Euan James Edward Haggerty Donald William Borland Philip Hartley Miller David Thomas Milloy Andrew Sutherland
Company secretary:	Pamela June Smyth
Shareholdings held by the directors and secretary:	None
Date of the Administration appointment:	2 March 2012
Administrators' names and addresses:	David Christian Chubb of 7 More London Riverside, London SE1 2RT and David Matthew Hammond of Cornwall Court, 19 Cornwall Court, Birmingham B3 2DT
Changes in office holder:	N/A
Appointor's / applicant's name and address:	Clydesdale Bank plc, 30 St Vincent Place, Glasgow G1 2HL
Objective being pursued by the Administrators:	Achieving a better result for the Company than if it were wound up (without first being in Administration)
Division of the Administrators' responsibilities:	In relation to paragraph 100(2) Sch B1 IA86, during the period for which the Administration is in force, any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Joint Administrators acting jointly or alone
Proposed end of the Administration:	Dissolution / CVL
Estimated dividend for unsecured creditors:	Uncertain
Estimated values of the prescribed part and the company's net property:	Uncertain
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	N/A
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 2 March 2012 to 1 September 2012

Funds held in Client Account with Colliers International ("Colliers")

	As at 01-Sep-12 £		As at 01-Sep-12 £
Receipts		**Payments**	
Opening balance	49,120	Insurance	9,561
Rental income	48,083	Colliers International fees	5,250
Service charge	6,968	Advertising	3,500
Car park rental	3,969	Security	1,236
VAT	8,114	Refuse collection	1,681
		Health & Safety	1,160
		Electricity	3,410
		Water charges	90
		Pest control	110
		Landscaping	1,250
		External repairs	1,322
Total receipts	**116,254**	**Total payments**	**28,570**
		Funds held in Colliers Client Account	**87,684**

3. Receipts and payments account for the period 2 March 2012 to 1 September 2012

Funds held by Administrators

	As at 01-Sep-12 £
Floating Charge realisations	
Cash at bank	42,561
Utility refunds	423
Interest	23
VAT refund	49
Total revenue	**43,056**

	As at 01-Sep-12 £
Payments	
Storage costs	16
VAT	3
Total payments	**19**
Balance in hand	**43,037**
Less: Statutory costs	
Statutory advertising	-
Bank charges	-
Total cost of realisation	**-**
Funds in hand	**43,037**

4. Statement of expenses incurred from 2 March 2012 to 1 September 2012

	Expenses incurred as at 1 September 2012
	£
Property costs	
Insurance (PSML)	9,561
Colliers International fees	5,250
Advertising	3,500
Security	1,236
Refuse collection	1,681
Health & Safety issues	1,160
Electricity	3,410
Water charges	90
Pest control	110
Landscaping	1,250
External repairs	1,322
Insurance	23,032
Statutory costs	
StatutoryAdvertising	74
Statutory Bonding	120
Company searches	22
Travel expenses	274
Category 2 disbursements	
Mileage	22
Total	52,114