

**Notice of move from
administration to dissolution**

Name of Company
Spencer Commercial Property Limited

Company number
06162546

In the High Court of Justice, Chancery Division, Companies Court <div>[full name of court]</div>

Court case number
11119 of 2011

We
David John Crawshaw
KPMG LLP
Arlington Business Park
Theale
Reading
RG7 4SD

Robert Andrew Croxen
KPMG LLP
Arlington Business Park
Theale
Reading
RG7 4SD

having been appointed Administrators of Spencer Commercial Property Limited, KPMG LLP, Arlington Business Park, Theale, Reading, RG7 4SD

on 21 December 2011 by the Directors

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply

We attach a copy of the final progress report

Signed



Joint Administrator

Dated

12 June 2013

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.

Sharon Turner
KPMG LLP
Arlington Business Park
Theale
Reading
RG7 4SD

DX Number DX 146800 (Theale) 2

Tel +44 118 3731411
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



A10 13/06/2013 #374
COMPANIES HOUSE



Spencer Commercial Property Limited
(in administration)

Final progress report

Pursuant to Rules 2.47, 2.110 & 2.118 of the
Insolvency Rules 1986 (as amended)

KPMG LLP
12 June 2013

DJC/DMC/SAT/3F

Notice: About this Report

- This Report has been prepared by David John Crawshaw and Robert Andrew Croxen the Joint Administrators of Spencer Commercial Property Limited, solely to comply with their statutory duty to report to creditors under the Insolvency Rules 1986 on the progress of the administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Spencer Commercial Property Limited.
- Any estimated outcomes for creditors included in this Report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this Report for any purpose or in any context other than under Insolvency Rules 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Report to any such person.
- David John Crawshaw and Robert Andrew Croxen are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.
- The Joint Administrators act as agents for Spencer Commercial Property Limited and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the administration.

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Glossary

Administrators	David Crawshaw & Robert Croxen of KPMG LLP
Bank/Secured Creditor	Lloyds Banking Group (LBG)
Company/SCP	Spencer Commercial Property Limited
HMRC	Her Majesty's Revenue & Customs
KPMG	KPMG LLP
SHL	Spencer Holdings Limited

The references in this report to Sections, Paragraphs or Rules are to the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules 1986 (as amended)

1 Introduction

In accordance with Rules 2.47 and 2.110, below is the Administrators' final progress report covering the period from 8 December 2012 to 28 May 2013.

Statutory information as required under Rule 2.47 is attached at Appendix 1. An abstract of the Administrators' receipts and payments account showing the final position as at 28 May 2013 as well as transactions in the period is attached at Appendix 2, together with a schedule of the expenses incurred in this reporting period attached at Appendix 4. All figures are shown net of VAT.

1.1 Administrators' proposals

The Administrators' proposals were circulated to all known members and creditors on 13 February 2012 and were deemed approved without modification in accordance with Rule 2.33(5) on 23 February 2011.

1.2 Purpose of the administration

As stated in the Administrators' proposals, the purpose of the administration was to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, (without it first being in administration), in accordance with Paragraph 3(1) (b) with the Company being dissolved following completion of the administration.

2 Outcome of the administration

2.1 Asset realisations

As reported in the Administrators' proposals dated 13 February 2012, the Group's main assets, a property portfolio, were held in a number of subsidiaries. The sale of the property portfolio was not such as to provide any value in the Company's investments in its subsidiaries. As part of this transaction, the Secured Creditor received distributions from the subsidiaries upon the realisation of its Secured assets.

As detailed in the Administrators' previous report dated 14 December 2012, it was anticipated that a final distribution to the Secured Creditor would be passed from the liquidators of SHL to the Administrators for onward distribution to the Secured Creditor.

However, following legal advice it has been agreed that the final distribution to the Secured Creditor will be made by the liquidators of SHL directly under the cross-guarantee held by the Secured Creditor. On this basis, no further realisations are anticipated in the administration.

3 Costs of realisations

As there have been no asset realisations in this administration, LBG has paid £95,964 into the administration to cover the costs of realisation

Costs of realisations paid in the period covered by this Report, are shown in the Administrators' receipts and payments account attached as Appendix 2 The schedule of expenses attached as Appendix 4 details the costs incurred, which relate specifically to this reporting period only, whether paid or unpaid All figures are shown net of VAT

Under Rule 2 48A, creditors are advised that, within 21 days of receipt of this Report, a creditor may request additional information about the Administrators' remuneration and expenses as set out in this Report A request must be in writing, and may be made either by a secured creditor or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the Court.

In addition, under Rule 2 109, any secured creditor or any unsecured creditor with either the concurrence of at least 10% in value of creditors, or with the permission of the Court, may apply to the court to challenge the remuneration charged, the basis of remuneration or the expenses incurred by the Administrators Any such application must be made no later than eight weeks after receipt of the first report which reports the charging of the remuneration or the incurring of expenses in question

The full text of Rules 2 48A and 2 109 can be provided on request by writing to the Administrators at KPMG LLP, Arlington Business Park, Theale, Reading RG7 4SD

3.1 Administrators' remuneration

The statutory provisions relating to remuneration are set out in Rule 2 106 Further information is given in the Association of Business Recovery Professionals' publication *A Creditors' Guide to Administrators' Fees*, a copy of which can be obtained at http://www.r3.org.uk/media/documents/technical_library/SIPS/SIP_9_EWNov2011.pdf

However, if you are unable to access this guide and would like a copy please contact Sharon Turner on 0118 373 1411

The Association of Business Recovery Professional's Statement of Insolvency Practitioners No 9 requires the Administrators to provide a full detailed analysis of time spent, and charge out rates, for each grade of staff for the various areas of work carried out Therefore, attached as Appendix 3, is a detailed analysis of time spent on the administration, and charge out rates for each grade of staff, for work carried out in the period 8 December 2012 to 28 May 2013

In this period, the Administrators have incurred time costs of £18,034 representing 49 hours at an average hourly rate of £369 This includes work undertaken in respect of tax and VAT advice from KPMG in-house specialists This brings the Administrators' total time costs during administration to £92,787 representing 279 hours

As the Bank has provided funds to meet the costs of the administration, the Administrators' remuneration is a matter to be agreed between the Administrators and the Bank As such the Administrators have drawn remuneration totalling £72,350 plus disbursements of £20, which have been approved by the Bank

3.2 Legal fees

Legal costs for advice on the validity of the Administrators' appointment, validity of security and other general legal advice totalled £7,596

3.3 Irrecoverable VAT

Since the Company is not registered for VAT, £15,996 is irrecoverable and represents an additional expense of the administration

3.4 Other costs

Other costs incurred during the administration are listed in the attached receipts and payments account attached as Appendix 2 and are self explanatory

4 Outcome to creditors

4.1 Secured creditor

As at the date of the Administrators' appointment, the Bank was owed circa £170 million by the Company and its subsidiaries. The Bank holds fixed and floating charges over the Company's assets under a debenture dated 10 June 2011 and cross guarantees across substantially all the other subsidiary companies. There was no distribution to the Bank in this administration.

4.2 Preferential creditors

The Company has no preferential creditors.

4.3 Unsecured creditors

As part of a wider sale of the Group's property portfolio, the Company's unsecured creditor liabilities were paid in full prior to the appointment of the Administrators. On this basis the Administrators are not aware of the Company having any unsecured creditors.

5 Other matters

5.1 Investigations

As required by the Company Directors Disqualification Act 1986, the Administrators have submitted a report on the conduct of those directors and any person appearing to act as a shadow director in office in the three years prior to the administration with the Department for Business Innovation and Skills. The contents of the report are confidential.

5.2 Taxation

KPMG Tax specialists were instructed to deal with the Company's tax affairs during the administration. All necessary returns have been submitted to HMRC, which has confirmed that it has no objection to the administration being closed.

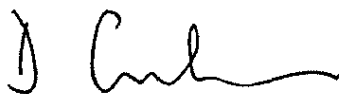
6 Final matters

6.1 Discharge of liability

Since there are no distributable assets and all outstanding matters have been dealt with, the Administrators sought and received approval from the Secured Creditor that they may be discharged from liability in respect of any act of theirs as Administrators on filing of this Report with the Registrar of Companies.

6.2 Exit from administration

The Company will move from administration to dissolution approximately three months from the filing of this final report and form 2.35B with the Registrar of Companies.



David Crawshaw
Joint Administrator

Appendix 1

Statutory information

Company name and Trading style	Spencer Commercial Property Limited	
Administration Appointment	High Court of Justice, Companies Division Court No 11119 of 2011	
Date of appointment	21 December 2011	
Present Administrators' details	David John Crawshaw and Robert Andrew Croxen are authorised to act as insolvency practitioners by the Institute of Chartered Accountants of England and Wales	
Functions	The functions of the Administrators are being exercised by either or both of them in accordance with Paragraph 100(2) of Schedule B1 of the Act	
Application of EC regulations	EC regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC regulations	
Company Directors		<i>From</i>
	Andrew James McFarlane	14/06/2011
	Philip Duckett	01/04/2007
	Merriel Anne Johnson	01/04/2007
Company Secretary	Philip Duckett	
Date of incorporation	15 March 2007	
Company registration number	06162546	
Previous registered office	Nexus House, Nexus Randles Road, Knowsley Business Park, Knowsley, Merseyside, L34 9HX	
Present registered office	KPMG LLP, Arlington Business Park, Theale, Reading, RG7 4SD	



Details of the Company's share capital and holdings

Issued share capital	55889	
Shareholders	James Spencer	2739 Ordinary A shares
	Katherine Spencer	12575 Ordinary B shares
	Jayne Silcock	12575 Ordinary B shares
	Merriel Johnson	12575 Ordinary B shares
	Philip Duckett	2850 Ordinary B shares
	Magdeline Spencer and Philip Duckett as bare Trustees for Sophie Estelle Spencer	12575 Ordinary B shares



Spencer Commercial Property Limited (in administration)
Final progress report
KPMG LLP
12 June 2013

Appendix 2

Administrators' receipts and payments account

RECEIPTS		£
Brought forward from previous Abstract (if Any)		96,049 09
Bank interest, net of tax		25 14
Carried forward to * continuation sheet / next abstract		96,074 23
PAYMENTS		£
Brought forward from previous Abstract (if Any)		96,043 45
Bank charges		30 78
Carried forward to * continuation sheet / next abstract		96,074 23

* Delete as appropriate

* Delete as appropriate

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the administrator since he was appointed

Spencer Commercial Property Limited
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 08/12/2012 To 02/05/2013	From 21/12/2011 To 02/05/2013
FIXED CHARGE ASSETS		
Contribution to costs	NIL	95,964 04
Bank interest, net of tax	25 14	104 55
	<u>25 14</u>	<u>96,068 59</u>
FIXED CHARGE COSTS		
Administrators' fees	NIL	72,350 00
Administrators' expenses	NIL	20 00
Legal fees	NIL	7,595 50
Irrecoverable VAT	NIL	15,995 81
Bank charges	NIL	5 64
	<u>NIL</u>	<u>(95,966 95)</u>
FIXED CHARGE CREDITORS		
(1,000,000 00) Fixed charge creditor	NIL	NIL
(2,432,245 00) Exit Fee Accrual	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
COST OF REALISATIONS		
Statutory advertising	NIL	76 50
Bank charges	30 78	25 14
	<u>(30 78)</u>	<u>(101 64)</u>
DISTRIBUTIONS		
(53,225 00) Ordinary shareholders	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
(3,485,470.00)	(5.64)	(0.00)
REPRESENTED BY		NIL

Note

Appendix 3

Analysis of the Administrators' time costs and schedule of rates of charging

21 December 2011 to 30 September 2012		1 October 2012 to date	
Partner/Director	£460 - £535	Partner/Director	£485-£565
Manager	£345 - £425	Manager	£365-£450
Administrator	£175 - £240	Administrator	£185-£250
Support	£110	Support	£115

KPMG Restructuring policy for the recovery of disbursements

Where funds permit the officeholder will look to recover both category 1 and category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows

Category 1 disbursements These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Any disbursements paid from the estate are disclosed within the attached summary of disbursements.

Category 2 disbursements that KPMG Restructuring currently charges includes mileage, this is calculated as follows:

Mileage claims fall into three categories

Use of privately-owned vehicle or car cash alternative – 40p per mile

Use of company car – 60p per mile

Use of partner's car – 60p per mile

For all of the above car types, when carrying passengers an additional 5p per mile per passenger will also be charged where appropriate.



Spencer Commercial Property Limited

Administrators' time costs from 8 December 2012 to 28 May 2013

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering							
General (Cashiering)		0 50	1 80		2 30	£515 50	£224 13
Reconciliations (& IPS accounting reviews)			1 20		1 20	£222 00	£185 00
Statutory and compliance							
Appointment and related formalities		0 50			0 50	£225 00	£450 00
Checklist & reviews			0 20		0 20	£50 00	£250 00
Reports to debenture holders		0 60	1 50		2 10	£645 00	£307 14
Strategy documents	12 00	9 80	0 90		22 70	£10,582 00	£466 17
Creditors and claims							
General correspondence			3 30		3 30	£825 00	£250 00
Statutory reports		6 90	7 80		14 70	£4,374 50	£297 59
Investigations & Directors							
Correspondence with directors			1 30		1 30	£325 00	£250 00
Asset Realisation							
Cash and investments		0 60			0 60	£270 00	£450 00
Total in period					48 90	£18 034 00	£368 79
Brought forward time (appointment to 7 December 2012)					229 90	£74,753 00	
Time in this period					48 90	£18,034 00	
Total time					278 80	£92,787 00	

Category 1 disbursements

None

The staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central functions is not charged directly to the assignment but is reflected in the general level of chargeout rates

Appendix 4

Schedule of expenses

	Paid	Accrued	Total for period
	£	£	£
Costs of realisation			
Administrators' remuneration	nil	18,034	18,034
Administrators' disbursements	nil	Nil	Nil
Total	Nil	18,034	18,034

Notes

Creditors are reminded that the Bank provided funds to meet costs of the administration including Administrators' remuneration

Please note that the Administrators' time costs relating to this reporting period and included in the above schedule as accrued will not be paid. However, an analysis of these time costs is included at Appendix 3 for your further information

Any additional information regarding remuneration or expenses charged for the period is available from the Administrators upon request by any secured creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt in accordance with Rule 2.48A. This request must be made within 21 days of receipt of the report. In addition creditors are reminded that the quantum can be challenged by any secured creditor or any unsecured creditor(s) with at least 10% in value (including that creditor's claim) of the unsecured debt by making an application to Court in accordance with Rule 2.109 within eight weeks of receipt of this report. The full text of these rules can be provided upon request.

Appendix 5

Administrators' Proposals

The Administrators propose the following

- To continue to do all such things reasonably expedient and generally exercise all their powers as Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company in accordance with the objective as set out above
- To investigate and, if appropriate, pursue any claims the Company may have
- To seek an extension to the administration period if deemed necessary by the Administrators
- To pay any realisations to secured and preferential creditor(s) (if any)
- To take the necessary steps to dissolve the Company under Paragraph 84, unless circumstances arise which require the Company to be placed into liquidation. The administration will end on filing of the Administrators' final progress report with the Registrar of Companies and dissolution will take place approximately three months thereafter,
- Alternatively, if thought fit, to petition the Court for a winding up order placing the Company into compulsory liquidation appointing Robert Croxson and David Crawshaw as Liquidators of the Company without any further recourse to creditors. Any act required or authorised under any enactment to be done by the liquidators may be done by either one of them,
- To seek their discharge from liability in respect of any action of them as Administrators pursuant to Paragraph 98(1) from the Secured Creditors and preferential creditors (if appropriate)
- To draw fees on account and disbursements, including category two disbursements, from the assets of the Company from time to time during the period of the administration based on time properly spent at KPMG LLP appropriate charge out rates, including any increase, that reflect the complexity of the assignment subject to the provisions of Rule 2.106
- That the costs of KPMG LLP in respect of forensic, tax and VAT advice provided to the Administrators be based upon time costs and shall be paid out of the assets of the Company