

In accordance with
Rule 3.61(1) of the
Insolvency (England
& Wales) Rules 2016
& Paragraph 84(8) of the
Schedule B1 of the
Insolvency Act 1986.

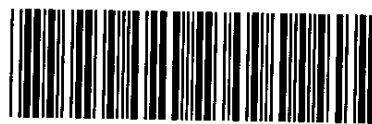
AM23

Notice of move from administration to dissolution



Companies House

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COMPANIES HOUSE

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1 Company details

Company number 0 6 2 5 2 4 7 5

Company name in full Owen Pugh Properties Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice, Business and Property Court

Court number 8 9 8 2 0 1 7

3 Administrator's name

Full forename(s) Christopher J

Surname Petts

4 Administrator's address

Building name/number Rotterdam House

Street 116 Quayside

Post town Newcastle-Upon-Tyne

County/Region

Postcode N E 1 3 D Y

Country

AM23

Notice of move from administration to dissolution

5 Administrator's name ①																	
Full forename(s)																	
Surname																	
① Other administrator Use this section to tell us about another administrator.																	
6 Administrator's address ②																	
Building name/number																	
Street																	
Post town																	
County/Region																	
Postcode																	
Country																	
② Other administrator Use this section to tell us about another administrator.																	
7 Final progress report																	
☒ I have attached a copy of the final progress report																	
8 Sign and date																	
Administrator's signature	Signature X  X																
Signature date	<table border="1"><tr><td>d</td><td>d</td><td>m</td><td>m</td><td>y</td><td>y</td><td>y</td><td>y</td></tr><tr><td>1</td><td>2</td><td>0</td><td>9</td><td>2</td><td>0</td><td>1</td><td>9</td></tr></table>	d	d	m	m	y	y	y	y	1	2	0	9	2	0	1	9
d	d	m	m	y	y	y	y										
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AM23

Notice of move from administration to dissolution



Presenter information

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

Contact name **Suzanne Blakey**

Company name **Grant Thornton UK LLP**

Address **Rotterdam House**

116 Quayside

Post town **Newcastle-Upon-Tyne**

County/Region

Postcode **N E 1 3 D Y**

Country

DX

Telephone **0191 261 2631**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ,
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



Owen Pugh Properties Limited - in Administration (the Company)

Administrator's final progress report

Recovery and Reorganisation
Grant Thornton UK LLP
Rotterdam House
116 Quayside
Newcastle-Upon-Tyne
NE1 3DY

Prepared by: Christopher J Petts, Administrator

Contact details: Should you wish to discuss any matters in
this report, please do not hesitate to
contact Suzanne Blakey on
0191 203 7789

Definitions

The following definitions are used either within the body of this report, the appendices to it, or both.

DLA	DLA Piper
SIP9	Statement of Insolvency Practice 9
VAT	Value added tax

1 Executive summary

- This final progress report for the Company's Administration covers the entirety of the Administration
- Our proposals were approved on 14 December 2017 by way of a decision procedure by the creditors.
- The key work done in the period since the previous progress report to 8 April 2019 has been complying with statutory matters and closure of the Administration
- As there are insufficient funds to make a distribution to unsecured creditors the Administrator will cease to act and move to dissolution.



Christopher J Petts
Administrator

12 September 2019

4 Creditors

4.1 Secured creditors

HSBC Bank plc was granted a fixed and floating charge debenture over the Company's assets on 18 February 2008. At the date of Administration, the balance due secured by this debenture was £5,569,245.

Merino Industries Limited (as Security Agent) was granted a fixed and floating charge debenture over the Company's assets on 28 July 2017. At the date of Administration, the balance due secured by this debenture was £1,000,000.

DLA was engaged to provide legal advice to the Administrator on the validity of the security. No issues were identified.

A distribution of £1,705,632.00 has been paid to HSBC Bank plc under its security. There is, therefore, a shortfall to the secured creditor.

There will be no funds to enable a distribution to Merino Industries Ltd, whose security ranks behind that of HSBC Bank plc.

4.2 Preferential creditors

There were no employees as at the date of Administration, therefore there are no preferential creditors.

4.3 Prescribed part – unsecured creditors

In accordance with section 176A of the Insolvency Act 1986, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company. The prescribed part calculation is applied to the net property available and is calculated at 50% of the first £10,000 of net realisations and 20% of all further amounts, up to a maximum prescribed part of £600,000.

There are insufficient floating charge assets to enable a distribution to the prescribed part.

1 Executive summary

- This final progress report for the Company's Administration covers the entirety of the Administration.
- Our proposals were approved on 14 December 2017 by way of a decision procedure by the creditors
- The key work done in the period since the previous progress report to 8 April 2019 has been complying with statutory matters and closure of the Administration.
- As there are insufficient funds to make a distribution to unsecured creditors the Administrator will *cease to act and move to dissolution*.



Christopher J Petts
Administrator

12 September 2019

2 An overview of the Administration

2.1 Implementation of the proposals

The Administrator's proposals were approved by the creditors by way of a decision procedure on 14 December 2017

The duty of the Administrator is to act in the best interests of the creditors as a whole in order to achieve the purpose of the Administration, which was to achieve one of the three objectives set out in the Insolvency legislation:

- Rescuing the company as a going concern; or
- 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); or
- Realising property in order to make a distribution to one or more secured or preferential creditors.

The Administrator has pursued the objective of realising assets for the benefit of the preferential and secured creditors.

2.2 Extension of the Administration

The appointment of an Administrator ordinarily ceases to have effect at the end of the period of one year from the date of appointment.

In certain circumstances it is necessary to extend the Administrator's term in office in order to achieve the objective of the Administration.

The Administration was extended by the secured creditors to give a revised expiry date of 9 October 2019. The extension was sought as the Bassington Lane property remained on the market.

5 Investigations into the affairs of the company

5.1 Investigations

I undertook an investigation into the Company's affairs to establish whether there were any potential asset recoveries, or conduct matters that required further investigation, taking into account the creditors' interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved.

Based on the outcome of my investigations into the affairs of the Company to date, there are no matters identified that need to be reported to the creditors.

6 Fees and costs

6.1 SIP9 disclosures

For information regarding payments of remuneration and expenses to us or our associates, please refer to the 'Statement of Insolvency Practice 9 disclosure' at Appendix B to this report, which covers:

- fee basis
- work done by me and my team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information concerning creditors' rights

7 Outcome of the Administration

7.1 Exit from Administration

The Administrator's proposals were approved on 14 December 2017 by the creditors by way of deemed consent.

The Administration will end by the Administrator filing a notice to dissolve the Company.

7.2 Discharge from liability

Approval in respect of Discharge of Liability has been sought from the secured creditors.

In accordance with paragraph 98 of schedule B1 to the Insolvency Act 1986 the Administrator will be discharged from liability fourteen days after the final progress report is issued to creditors.

7.3 Data Protection

Any personal information held by the Company will continue to be processed for the purposes of the Administration of the Company and in accordance with the requirements of data protection

A Abstract of the Administrator's receipts and payments

	Statement of Affairs	From 09/10/2018 to 08/04/2019	From 09/04/2019 to 12/09/2019	Total
	£	£	£	£
Receipts				
Fixed Charge				
Freehold Land & Property	2,075,000 00	1,857,500 00	-	1,857,500 00
Fixed Charge VAT on Sales		343,500 00	-	343,500 00
Bank Interest		132 78	-	132 78
HMRC - Fixed VAT received/paid		-	9,776 50	9,776 50
Floating charge				
Sales		2,000 00	-	2,000 00
Rents		475 00	-	475 00
Insurance of Assets		-	-	18 26
Plant & Machinery		17,455 00	-	17,455 00
Misc Float Receipts		5,000 00	-	5,000 00
VAT on Sales		4,891 00	-	4,891 00
HMRC - VAT received/paid		-	-	4,468 42
		2,230,953 78	9,776 50	2,245,216 96
Payments				
Fixed Charge				
Administrator's Fees		75,000 00	-	75,000 00
Administrator's Expenses		1,416 73	-	1,416 73
Legal Fees		39,353 78	-	39,353 78
Agents/Valuers Fees		22,457 65	-	22,457 65
Insurance		280 00	-	280 00
Bank Charges		170 60	11 64	182 24
Fixed Charge VAT on Purchases		26,644 44	1,000.00	27,644 44
HMRC - Fxd VAT received/paid		319,679 78	5,952 28	325,632 06
Distribution to Secured Creditor				
HSBC Bank plc		1,705,632 00	-	1,705,632 00
Floating Charge				
Administrator's Fees		-	20,000 00	20,000 00
Administrator's Expenses		-	25 10	25 10
Repairs & Maintenance		295 00	-	295 00
Property Expenses		475 00	-	475 00
Agents/Valuers Fees		229 54	-	229 54
Legal Fees		2,322 00	-	2,322 00
Telephone Telex & Fax		10 00	-	10 00
IT Costs		-	1,806 82	1,806 82
Storage Costs		-	132 35	132 35
Re-direction of Mail		-	490 00	490 00
Statutory Advertising		68 70	-	68 70
Insurance of Assets		4,095 26	18 26	4,113 52
Bank Charges		189 22	115 50	304 72
Corporation Tax		7,985 89	-	7,985 89
VAT on Purchases		668 05	4,005 02	4,673 07
HMRC - VAT received/paid		4,222 95	463 40	4,686 35
		2,211,196 59	34,020 37	2,245,216 96
Net Receipts/(Payments)		19,757.19	(24,243.87)	-

B Statement of Insolvency Practice 9 disclosure: payments, remuneration and expenses to the Administrator or his associates

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers.

- fee basis
- work done by the Administrator and his team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Post-appointment costs

Fee basis of the Administrator

I can advise that the following resolutions:

- The Joint Administrators' remuneration be calculated according to the time properly given by the Administrators and their staff
- The Joint Administrators will charge out of pocket expenses at cost and are authorised to charge mileage at 45p per mile. VAT to be added to disbursement charges as necessary were approved as follows:
- On 22 June 2018 by HSBC Bank plc, the secured creditors
- On 2 July 2018 by Merino Industries Ltd (acting as Security Agent)

The time costs estimate provided to the creditors (secured and unsecured) was £179,354.85 with an estimated fee to be drawn of £90,000.

During the period from 9 April 2019 to 12 September 2019 (the Period) time costs were incurred totalling £1,493 represented by 8.30 hrs at an average of £179.88 hr (as shown in the 'Work done' section below). Description of the work done is provided in the respective section below.

As at Period end, as shown in the 'Work done' section below, time costs have exceeded] the time costs in the fees estimate and expenses have fallen short of the expense estimate, both of which were provided to the creditors prior to the determination of our fee basis.

The reason for the excess is as follows:

- Complying with statutory matters, including progressing the Administration to closure

Under r18.30 of the Rules, I am not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £179,354.85, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the Administrator and his team during the Period

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	8 hrs	£1,493	£/hr £180
Administration						
Reports, circulars notices & decisions	Letters to creditors regarding Administrator's progress report	To comply with insolvency law and legislation	This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate	Bank Charges Storage : £132 Mail Re-direction IT Costs : £1,807	£127	
Treasury, billing & funding	- Bank reconciliations - BACS payments	To manage day to day banking requirements, transactions and to ensure sufficient funding available to support essential Administration costs and to ensure the Administrator and his staff can carry out their duties	This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Tax	Complying with statutory closure requirements, including calls with HMRC	All necessary work to ensure the Administrator complies with legal and reporting requirements	This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Pensions	Complying with statutory closure requirements	All necessary work to ensure the Administrator complies with legal and reporting requirements	This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Total fees incurred in the Period				8 hrs	£1,493	£/hr £180

Period from 09/04/2019 to 12/09/2019

Notes:

- Partner includes partners and directors
- *Manager includes associate directors and managers*
- Executive includes assistant managers and executives
- Due to enhancements to our SPS9 reporting systems, allocation of time against areas of work may differ to previous periods, however this does not affect overall total time costs
- Adverse variances are presented in brackets
- Total time costs paid to date £95,000 (excludes VAT)

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows:

Grade	From 9 October 2017 to current	
	Insolvency £/hr	Pensions & Tax £/hr
Partner	510	510
Director	485	485
Associate director	445	445
Manager	340	340
Assistant manager	300	300
Executive	245 – 260	260
Administrator	165 – 200	165 – 200
Treasury	180	n/a
Support	150	n/a

The current charge out rates have applied since 1 October 2017. I reserve the right to amend my charge out rates in the future. Any amendments will be detailed within the next report following such an amendment

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the administrator, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Joint Administrators' Bond		20	20
Subsistence		270	270
Accommodation		392	392
Companies House Searches		6	6
Taxis		33	33
Postage		13	13
Category 2 disbursements			
Mileage		708	707
Expenses			
Administrators' Remuneration	1,493	194,149 ¹	95,000
Repairs & Maintenance		295	295
Property Expenses		475	475
Legal Fees : DLA Piper UK LLP		41,676	41,676
Agents/Valuers Fees:			
- Lambert Smith Hampton		22,458	22,458
- Hilco		230	230
Insurance	18	4,393	4,393
Bank Charges	127	487	487
Telephone, Telex & Fax		10	10
Statutory Advertising		69	69
Corporation Tax		7,986	7,986
IT Costs	1,807	1,807	1,807
Storage Costs	132	132	132
Mail redirection	490	490	490

¹ Whilst this figure may be greater than the time costs estimate, the Administrator will not be drawing remuneration in excess of the creditors approved time cost estimate

Total expenses and disbursements	4,067	276,099	176,949
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Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example

Office costs – these are costs such as postage or courier charges which are incurred in managing the case

Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the Administrator's receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. Accordingly, the following resolution was made by the secured creditors on 22 June and 2 July 2018 respectively:

The Joint Administrators will charge out of pocket expenses at cost and are authorised to charge mileage at 45p per mile. VAT to be added to disbursement charges as necessary.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

I confirm that, in the Period, I have not sub-contracted out any work that could otherwise have been carried out by me or my team.

Payments to associates

Where I have enlisted the services of others I have sought to obtain the best value and service. In the interest of transparency, I disclose below services I have sought from within my firm or from a party with whom (to the best of my knowledge) my firm, or an individual within my firm, has a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	- Tax work/advice (narrative is included within the above narrative of work done) - Pensions work/advice (narrative is included within the above narrative of work done)	Costs are included within the above SJP9 time cost analysis

Relationships requiring disclosure

I confirm that I am not aware of any business or personal relationships with any parties responsible for approving the Administrator's fee basis, or who provide services to me as Administrator, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

<https://www.grantthornton.co.uk/portal>

Alternatively, I will supply this information by post, free of charge, on request.

C Statutory information

Company Information

Company name	Owen Pugh Properties Limited
Date of incorporation	18 May 2007
Company registration number	06252475
Former trading address	Cramlington Road Dudley Cramlington Northumberland NE23 7PR
Former registered office	As above
Present registered office	4 Hardman Square Spinningfields Manchester M3 3EB

Administration information

Administration appointment	The Administration appointment in the High Court of Justice, Business and Property Court, 898 of 2017
Appointor	the directors
Date of appointment	9 October 2017
Administrator's name	Christopher J Petts
Administrator's address	Rotterdam House, 116 Quayside, Newcastle-Upon-Tyne, NE1 3DY
Purpose of the administration	Realising property in order to make a distribution to one or more secured or preferential creditors
Prescribed Part distribution	The Administrator does not intend to apply to Court to obtain an order that the Prescribed Part shall not apply Therefore, the Administrator do not intend to make a distribution to the unsecured creditors
Current Administration expiry date	9 October 2019 This is the date that the Administration would have expired by lapse of time, but as now explained in the report the Administration will end upon the filing of Form AM23 at Companies House

D Notice about this report

This report has been prepared by Christopher J Petts, the Administrator of Owen Pugh Properties Limited – in Administration, solely to comply with the Administrators' statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 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 purposes, 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 the Company.

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 persons choosing to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 do so at their own risk. To the fullest extent permitted by law, the Administrator does not assume any liability in respect of this report to any such person.

I am authorised to act as an insolvency practitioner by the Insolvency Practitioners Association.

The Administrator is bound by the Insolvency Code of Ethics

The Administrator acts as agents of the Company and contract without personal liability. The appointment of the Administrator is personal to him and to the fullest extent permitted by law, Grant Thornton UK 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.

Please note you should read this progress report in conjunction with the Administrator's previous progress reports and proposals issued to the Company's creditors, which can be found on the Grant Thornton Insolvency Act portal. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.

