

The Insolvency Act 1986

2.24B**Administrator's progress report**

Name of Company G&H Construction Limited	Company number 06298670
In the High Court of Justice, Chancery Division [full name of court]	Court case number 5328 of 2010


We
Jonathan Scott Pope
KPMG LLP
100 Temple Street
Bristol
BS1 6AG

Richard John Hill
KPMG LLP
100 Temple Street
Bristol
BS1 6AG

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

from 9 July 2011	to 4 January 2012
---------------------	----------------------

Signed


 Joint Administrator

Dated

4 January 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 searchers of the public record

Will Lewis
KPMG LLP
100 Temple Street

9280 Bristol 29 | Tel
DX Exchange

Companies House receipt

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A26 *A10XRQ28* 20/01/2012 #143
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A26 *A10FOSDM* 13/01/2012 #190
COMPANIES HOUSE
A06 *A02XGHBS* 05/01/2012 #352
COMPANIES HOUSE

I signed this form, please send it to the Registrar of Companies at -
Cardiff, Cardiff CF14 3UZ DX 33050 Cardiff



**G&H Construction Limited
In Administration**

Final Progress Report

Pursuant to Rules 2.110 and 2.47 of the Insolvency
Rules 1986 (as amended)

KPMG LLP
4 January 2012

JSP/WGL/988/1M



Notice: About this Report

- This Report has been prepared by Jonathan Scott Pope and Richard John Hill, the Joint Administrators of G&H Construction 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 G&H Construction 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 the Insolvency Rules 1986 does so at its 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.
- Jonathan Scott Pope is authorised to act as an Insolvency Practitioner by the Insolvency Practitioners Association.
- Richard John Hill is authorised to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales.
- The Joint Administrators act as agents for G&H Construction 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

Act	The Insolvency Act 1986 (as amended)
Administration Orders	The Administration Order granted in the High Court of Justice, Chancery Division, Companies Court, Court case number - 5328 of 2010
Administrators	Jonathan Scott Pope and Richard John Hill of KPMG LLP
Bank/Secured Creditor	HSBC Bank plc
Company	G&H Construction Limited
Directors	<ol style="list-style-type: none">1 Mark Allies2 Ralph Daubeney3 Alison Thomas
Group	G&H Group Limited, G&H Joinery Limited, G&H Design Limited, G&H Construction Limited, G&H Retail Limited and G&H Contracts Limited
Naismiths	Naismiths LLP
Rules	The Insolvency Rules 1986 (as amended)

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), respectively

1 Introduction

Further to my report of 1 July 2011 I now provide a final report on the Administration in accordance with Rules 2.110 and 2.47. Forms 2.24B and 2.35B are enclosed accordingly.

Statutory information required by Rule 2.47 is attached as Appendix 1.

An abstract of the Administrators' receipts and payments account showing the final position as at 4 January 2012 and covering the period from 9 July 2010 to 4 January 2012 is attached as Appendix 2. The figures on the account are shown net of VAT.

1.1 Administrators' proposals

The Administrators' proposals were circulated to all known members and creditors on 26 August 2010 and were deemed approved without modification in accordance with Rule 2.33(5) on 7 September 2010 and these are attached at Appendix 5.

1.2 Purpose of the Administration

In accordance with Paragraph 3(1) the Administrators have the following hierarchy of objectives -

- a) rescuing the Company as a going concern,
- b) 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), and
- c) realising property in order to make a distribution to one or more secured or preferential creditors.

The Administrators concluded that objective a) was not achievable because of the losses being incurred by the Company. Therefore, objective b) was deemed to be the most viable.

2 Outcome of the Administration

2.1.1 Retentions

At the date of the Administrators' appointment the Company's records indicated that retentions with a book value totalling £81,505 and comprising two accounts were potentially owed to the Company. Naismiths were engaged by the Administrators to collect the retention monies.

Naismiths have received evidence from the clients substantiating that the remedial costs of rectifying the poor workmanship of the Company far exceeds the retentions held. Naismiths have advised that there will be no recoveries from the retention monies.

2 1 2 Other Realisations

During the period of this report, a small amount of refunds have been received from the Company's pre-appointment utility providers

2 2 Investigations

The Administrators concluded that there were no causes of action against third parties which would result in additional recoveries for creditors

3 Costs of realisation

The only payment made in the period of the Administration is a small payment to the Administrators in relation to their fees. This payment is set out in the attached receipts and payments accounts (see Appendix 2). The figures are shown net of VAT.

The schedule of expenses attached as Appendix 4 details the costs incurred by the Administrators, all of which have been paid. The figures in this statement are also 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 themselves) 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 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, 100 Temple Street, Bristol, BS1 6AG.

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%209%20E&W.pdf. However, if you are unable to access this guide and would like a copy please contact William Lewis on 0117 905 4713.

In accordance with Rule 2 106 (5A), since it was expected that the Administrators would not be making a distribution to preferential creditors and that the Company would have insufficient property to enable a distribution to be made to unsecured creditors by virtue of the Prescribed Part or otherwise, it was for the Secured Creditor to agree the basis of the Administrators' remuneration. I confirm that this consent was received on 7 December 2011.

The analysis attached at Appendix 3 shows that the Administrators' have incurred time costs of £54,393 for the period from 9 July 2010 to date. These time costs represent 196.55 hours at an average hourly rate of £277. These time costs include work undertaken in respect of tax, VAT and health and safety advice from KPMG LLP in-house specialists.

With the consent of the Secured Creditor, the Administrators have drawn fees of £128 from the asset realisations of the Company.

4 Outcome to creditors

4.1 Secured Creditor

The Bank holds fixed and floating charges over all of the Company's assets. At the date of the Administrators' appointment, the Secured Creditor was owed £304,000 by the Group and the Company guaranteed these debts. There will be no recovery to the Secured Creditor.

4.2 Preferential creditors

The Company did not employ anyone and therefore, has no preferential creditors.

4.3 Unsecured creditors and prescribed part

The prescribed part provisions of Section 176A entitle unsecured creditors to a percentage share of realisations from net floating charge assets, after costs of realisation. The percentage is calculated on a sliding scale up to a maximum amount of £600,000, subject to costs.

There will be no dividend to unsecured creditors by virtue of the prescribed part or otherwise.

5 Other matters

5.1 Directors' conduct returns

The Administrators have a duty to investigate the conduct of the Directors and to submit a return to the Department for Business, Innovation and Skills, (formerly the Department of Business, Enterprise and Regulatory Reform) on the conduct of those directors or shadow directors who were in office in the three years prior to the Administration.



The Administrators have complied with these obligations

5.2 Taxation

The Administrators instructed KPMG Tax specialists to prepare the necessary returns in order to finalise the tax position

These returns have been completed and submitted to HM Revenue and Customs

6 Final matters

6.1 Exit from administration

Since there were no distributable funds available to the unsecured creditors and as all outstanding matters have been dealt with, the Administration can now be concluded

In accordance with Paragraph 98, the Administrators have sought and received approval to be discharged from liability in respect of any action of theirs as Administrators

The Company will, therefore, be dissolved three months, from the filing of this final report and registration of form 2 35B with the Registrar of Companies

Jonathan Scott Pope
Joint Administrator



Appendix 1

Statutory information

Company name and Trading style	G&H Construction Limited		
Administration Order	The Administration Order granted in the High Court of Justice, Chancery Division, Companies Court No 5328 of 2010		
Date of appointment	9 July 2010		
Administrators' details	Jonathan Scott Pope is authorised to act as an Insolvency Practitioner by the Insolvency Practitioners Association Richard John Hill is authorised to act as an Insolvency Practitioner by the Institute of Chartered Accountants in 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>	<i>To</i>
	Mark Allies	04/07/2007	Date
	Ralph Daubeney	01/01/2009	Date
	Alison Thomas	01/01/2009	Date
	Steven Bicknell	04/07/2007	28/07/2008
	Carl McCrudden	12/11/2008	05/02/2009
Company Secretary	Alison Thomas		
Date of incorporation	2 July 2007		
Company registration number	06298670		
Previous registered office	Arena Business Centre, 9 Nimrod Way, Ferndown Industrial Estate, Wimborne, Dorset, BH21 7SH		
Present registered office	KPMG LLP, Arlington Business Park, Theale, Reading, Berkshire, RG7 4SD		
Issued share capital	1 ordinary £1 share		
Shareholders	G&H Group Limited		



*G&H Construction Limited
In Administration
Final Progress Report
KPMG LLP
4 January 2012*

Appendix 2

Administrators' receipts and payments account

The Administrators' receipts and payments account for the period from 9 July 2010 to 4 January 2012 is attached. The figures on the accounts are shown net of VAT.

G&H Construction Limited
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 09/07/2011 To 04/01/2012	From 09/07/2010 To 04/01/2012
	ASSET REALISATIONS		
2,907 00	Plant, equipment, fixtures & fittings	NIL	NIL
15,000 00	Debtors, WIP & Retentions	NIL	NIL
14,836 00	VAT refunds (pre-app'ent)	NIL	NIL
		NIL	NIL
	OTHER REALISATIONS		
	Sundry refunds	NIL	153 72
		NIL	153 72
	COST OF REALISATIONS		
	Administrators' fees	128 10	128 10
	Irrecoverable VAT	25 62	25 62
		(153 72)	(153 72)
	FLOATING CHARGE CREDITORS		
(520,837 00)	Floating charge (HSBC Bank)	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(456,019 00)	Trade creditors	NIL	NIL
(2,317,688 00)	Intergroup creditors	NIL	NIL
(274 00)	PAYE/NIC	NIL	NIL
(1,000 00)	Accruals & deferred income	NIL	NIL
(2,396 00)	Other creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1 00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(3,265,472.00)		(153.72)	0.00
	REPRESENTED BY		
			NIL



*G&H Construction Limited
In Administration
Final Progress Report
KPMG LLP
4 January 2012*

Appendix 3

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

Grade of Staff	9 July 2010 to 30 September 2010	1 October 2010 onwards
Partner/Director	£440 - £515	£460 - £535
Management	£320 - £405	£345 - £425
Administrator	£165 - £225	£175 - £225
Support	£105	£110

G&H Construction Limited - In Administration

Time Cost Analysis from 9 July 2010 to 4 January 2012

	Partner / Director	Manager	Administrato r	Support	Total hours	Time cost	Average hourly rate
Administration & planning							
Cashiering							
General (Cashiering)			0 80	4 40	5 20	£635 50	£122 21
Reconciliations (& IP's accounting reviews)		0 10		2 30	2 40	£287 50	£119 79
General							
Books and records		0 10	9 60	4 55	14 25	£2,206 25	£154 82
Fees and WIP			1 45		1 45	£243 75	£168 10
Statutory and compliance							
Appointment and related formalities	0 50	1 80	11 55		13 85	£2 737 75	£197 67
Bonding and bordereau		2 00	0 50	0 45	2 95	£769 75	£260 93
Checklist & reviews	1 50	6 00	8 00		15 50	£4 345 00	£280 32
Closure and related formalities		15 10	0 05		15 15	£5 221 50	£344 65
Pre appointment checks		2 00		0 10	2 10	£651 00	£310 00
Reports to debenture holders	6 00	8 50		0 90	15 40	£5 589 00	£362 92
Strategy documents	4 50	0 50	0 35		5 35	£2 311 25	£432 01
Tax							
Initial reviews: CT and VAT		1 60	0 75		2 35	£635 75	£270 53
Post appointment corporation tax		2 55	0 70		3 25	£995 25	£306 23
Post appointment VAT		0 30	1 60		1 90	£424 00	£223 16
Creditors							
Creditors and claims							
General correspondence		4 55	15 80		20 35	£4 404 00	£216 41
Notification of appointment		5 40	1 25		6 65	£2 223 25	£334 32
Secured creditors			0 35		0 35	£61 25	£175 00
Statutory reports	0 50	9 10	14 85	1 50	25 95	£6 167 75	£237 68
Investigation							
Directors							
D form drafting and submission		0 40	3 00		3 40	£682 50	£200 74
Statement of affairs		0 05	2 20		2 25	£424 00	£188 44
Investigations							
Mail redirection			0 10		0 10	£16 50	£165 00
Realisation of assets							
Asset Realisation							
Cash and investments	3 00		0 20		3 20	£1 394 00	£435 63
Debtors	6 50	25 40			31 90	£11 439 50	£358 61
Office equipment, fixtures & fittings		1 30			1 30	£526 50	£405 00
Total in period					196 55	£54 392 50	£278 74

All staff who have worked on this assignment, including cashiers and secretarial staff have charged time directly to the assignment and are included in the above analysis of time spent

The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates



Appendix 4

Schedule of expenses

G&H Construction Limited	Paid	Total for period
	£	£
Administrators' fees	128	128
Total	128	128

Notes

Creditors are reminded that the basis upon which the Administrators' fees have been reported has been agreed. The quantum is supported by an analysis of time costs available for review at Appendix 3. Any additional information regarding remuneration or expenses charged for the period is available from the office holder 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 proposed to do 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 periods if deemed necessary by the Administrators.
- That the Administrators be permitted to pay any realisations to the Secured Creditor
- That the Administrators will seek their discharge from liability in respect of any action of theirs as Administrators pursuant to paragraph 98(1) of Schedule B1 of the Act from the Secured Creditor and preferential creditors (if appropriate)
- In the event that the Administrators deem that Liquidation is not appropriate because no dividend will become available to creditors, and there are no other outstanding matters that require to be dealt with in a Liquidation, then the Administrators shall file the appropriate notice at Companies House and the Company will subsequently be dissolved
- That the Administrators be authorised to draw fees on account from the assets of the Company from time to time during the period of the administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. Also, that the Administrators be authorised to draw disbursements from time to time to include category two disbursements
- That the costs of KPMG LLP in respect of forensic, tax, VAT and pension advice provided to the Administrators be based upon time costs and shall be paid out of the assets of the Company
- The most likely exit route for the administration is to file for the Company's dissolution under Paragraph 84 of the Act