

The Insolvency Act 1986

2.24B**Administrator's progress report**

Name of Company
G&H Constuction Limited

Company number
06298670

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

Court case number
5328 of 2010

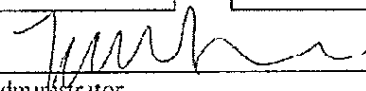
We
Jonathan Scott Pope
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Arlington Business Park
Theale
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RG7 4SD
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Richard John Hill
KPMG LLP
Arlington Business Park
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Administrators of the above company attach a progress report for the period

from	to
9 July 2010	8 January 2011

Signed


Joint Administrator

Dated

2 February 2011

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.

Rachel Narraway
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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

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COMPANIES HOUSE



*G&H Construction Limited
– in administration
Progress Report
KPMG LLP*

**G&H Construction Limited
– in administration**

Progress Report

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

KPMG LLP
2 February 2011

JSP/WGL/RMN/GA709D1010



G&H Construction Limited
– in administration

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

KPMG LLP

2 February 2011

Notice: About this Report

This Report has been prepared by Jonathan Scott Pope and Richard John Hill, the 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 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 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.



*G&H Construction Limited
– in administration
Pursuant to Rule 2.47 of the Insolvency Rules 1986 (as amended)
KPMG LLP
2 February 2011*

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- Appendix 2 Administrators' abstract of receipts and payments
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- Appendix 4 Administrators schedule of expenses



1 Glossary

The Act	The Insolvency Act 1986 (as amended)
Administrators	Jonathan Scott Pope and Richard John Hill
Administration Order	The Administration Order granted in the High court of Justice, Chancery Division Court No 5328 of 2010
The Company	G&H Construction Limited (Company Registered Number 06298670)
Company Secretary	Alison Thomas
The Directors	Mark Allies Alison Thomas Ralph Daubeney
Group	G&H Group Limited G&H Retail Limited G&H Construction Limited G&H Contracts Limited
Naismiths	Naismiths Limited
Registered Office	c/o KPMG LLP, Arlington Business Park, Theale, Reading, RG7 4SD
The Rules	The Insolvency Rules 1986 (as amended)
The Secured Creditor	HSBC Bank plc (“the Bank”)

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



2 Introduction

Creditors have previously been informed that Jonathan Scott Pope and Richard John Hill were appointed Administrators of G&H Construction Limited on 9 July 2010 following an application by the Company's directors.

This report has been prepared in accordance with Rule 2.47 of the Rules and covers the period from 9 July 2010 to 8 January 2011. We enclose Form 2.24B - formal notice to that effect.

An abstract of the Administrators' receipts and payments account showing the position as at 8 January 2011 is attached as Appendix 2. The figures on the account are shown net of VAT.

Other statutory information required by Rule 2.47 of the Rules is attached as Appendix 1.

2.1 Administrators' proposals

The Administrators' proposals were circulated to all known members and creditors on 26 August 2010, and were deemed to have been approved without modification, in accordance with Rule 2.33(5) of the Rules, on 7 September 2010.

2.2 Purpose of the administration

An Administrator of a company must perform his functions with one of the following main objectives:

- a) rescuing the company as a going concern, or
- 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), or
- 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 the Company was not engaged in any live contracts at the date of the Administrators' appointment, nor did it have any contracts in the pipeline. Therefore, objective b) was the most viable.

3 Progress of the administration

3.1 Asset realisations

3.1.1 Retentions

The book value of retentions totals £81,505 and comprises two accounts. To date, no monies have been realised because the defects periods relating to these contracts has not ended.



3.1.2 Other realisations

Further realisations are detailed on the Administrators receipts and payments account as Appendix 2

4 Costs of realisation

4.1.1 Administrators' Remuneration

The statutory provisions relating to remuneration are set out in Rule 2.106 of the Rules, by reference to time properly given by the Administrators and their staff in attending to matters arising in the administration. A creditors' guide to fees can be found at [http://www.13.org.uk/uploads/sip/SIP9_v5_April_2007\(1\).pdf](http://www.13.org.uk/uploads/sip/SIP9_v5_April_2007(1).pdf). However, if you are unable to access this guide and would like a copy please contact Rachel Narraway on 0118 964 2508.

The Administrators propose that their remuneration be fixed on the basis of time properly given by them and their staff in dealing with matters arising in the administration at their normal hourly rate of charging, as set out in Appendix 3. Please note that these rates can change from time to time.

As detailed in the Administrators proposals dated 23 August 2010 and pursuant to Paragraph 52(1)(b) of Schedule B1 of the Act a meeting of creditors was not held as the Company has insufficient property to enable a distribution to be made to the unsecured creditors. Therefore, it will be for the Secured Creditor and the preferential creditors to agree the basis of the Administrators' remuneration. However, in this particular case the Company has no preferential creditors. Therefore, it will be for the Secured Creditor to agree the basis of the Administrators' remuneration.

Attached as Appendix 3 is a detailed analysis of time spent, and charge out rates, for each grade of staff for the various areas of work carried out for the period to 8 January 2011, as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No 9 ("SIP 9").

During the period covered by this report, we have incurred time costs of £35,912 representing 133 hours at an average rate of £270. This includes tax, VAT, employee and pensions advice from KPMG LLP in-house specialists. Please note that no remuneration has been drawn to date.

Under Rule 2.48A of the Rules, a secured or unsecured creditor, with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), may within 21 days of receipt of this progress report request, in writing, further information about the Administrators' remuneration or expenses.

In addition, if any secured or unsecured creditor considers that these are excessive, they may, with the concurrence of either at least 10% in value of the unsecured creditors (including that creditor) or the permission of the Court, apply to Court to challenge the Administrators' remuneration and expenses under Rule 2.109. Under Rule 2.48A(4) such an application must be made no later than 8 weeks after the receipt by the creditor of the progress report.

5 Estimated outcome to creditors

5.1 Secured creditor

As previously advised, the Group's total indebtedness to the Secured Creditor at the date of appointment was £304,000. The level of recovery to the Secured Creditor will depend upon the level of retentions/debtor realisations.

5.2 Preferential creditors

There were no employees of the Company. Therefore, there are no preferential claims against the Company.

5.3 Unsecured creditors and Prescribed Part

In accordance with paragraph 176A(9) of Schedule B1 of the Act, the Prescribed Part serves to set aside a proportion of the Company's net floating charge assets for the benefit of unsecured creditors. It is calculated as 50% of the first £10,000 and 20% of the remainder, up to a maximum of £600,000.

As previously reported, based on the expected level of realisations and the amounts owed to the Secured Creditor, there is no prospect of funds being available for unsecured creditors, even by virtue of the Prescribed Part provisions.

6 Investigations

As required by the Company Directors Disqualification Act 1986, the Joint Administrators have submitted a report on the conduct of those directors and suspected shadow directors who were in office in the three years prior to the administration. This report has been lodged with the Department for Business Innovation and Skills (formerly the Department for Business Enterprise and Regulatory Reform). Its contents are confidential.

7 Tax and VAT

Corporation tax is an expense of the administration. Therefore, the Administrators will instruct KPMG tax specialists to submit the post appointment returns. Also, post appointment VAT returns will be completed in accordance with prescribed deadlines.



8 Future strategy

8.1 Ongoing matters

The following issues remain outstanding in the administration

- The collection of the outstanding retentions,
- Payment of outstanding administration expenses, including the Administrators' remuneration, and
- The completion of final VAT and corporation tax returns and settlement of any liability.

8.2 Exit from administration

The administration is scheduled to automatically end on 8 July 2011, being the one year anniversary of the administration order. However, the Order can be extended by either an application to the Court or with the consent of the creditors.

In the event that there are no further distributable assets of the Company remaining and all outstanding issues have been resolved the Company will move to dissolution in accordance with Paragraph 84(1) of the Act.

In addition, the Administrators will seek their discharge from liability under Paragraph 98(1) of the Act from the Secured Creditor.

8.3 Future reporting

In accordance with Rule 2.47 of the Insolvency Rules 1986 the Administrators will provide a further progress report within one month of 9 July 2011, should the Administrators' proposals not have been completed prior to that time.

Jonathan Scott Pope
Administrator



Appendix 1 – Statutory information

Company name & Trading style	G&H Construction Limited		
Administration Order	The Administration Order was granted in the High Court of Justice, Chancery Division Court case number 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	Mark Allies Ralph Daubeney Alison Thomas Steven Bicknell Carl McCradden	From: 04/07/2007 01/01/2009 01/01/2009 02/07/2007 12/11/2008	To: Present Present Present 28/07/2008 05/02/2009
Company Secretary	Ms 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	c/o KPMG LLP, Arlington Business Park, Theale, Reading RG7 4SD		
Employees	None		



*G&H Construction Limited
– in administration
Pursuant to Rule 2.47 of the Insolvency Rules 1986 (as amended)
KPMG LLP
2 February 2011*

Appendix 2

Administrators' abstract of receipts and payments from 9 July 2010 to 8 January 2011.

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

Statement of Affairs		From 09/07/2010 To 08/01/2011	From 09/07/2010 To 08/01/2011
	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
		<u>NIL</u>	<u>NIL</u>
	OTHER REALISATIONS		
	Sundry refunds	117.72	117.72
		<u>117.72</u>	<u>117.72</u>
	FLOATING CHARGE CREDITORS		
(520,837.00)	Floating charge (HSBC Bank)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	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
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1.00)	Ordinary shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(3,265,472.00)</u>		<u>117.72</u>	<u>117.72</u>
	REPRESENTED BY		
	Floating charge current		117.72
			<u>117.72</u>

RECEIPTS		£
Brought forward from previous Abstract (if Any)		0 00
Sundry refunds		117 72
Carried forward to * continuation sheet / next abstract		117 72
PAYMENTS		£
Brought forward from previous Abstract (if Any)		0 00
Carried forward to * continuation sheet / next abstract		0 00

* 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



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KPMG LLP
2 February 2011*

Appendix 3

Analysis of Administrators' time costs for the period 9 July 2010 to 8 January 2011.

Joint Administrators time costs from 9 July 2010 to 8 January 2011

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Administration & planning							
Cashiering							
General (Cashiering)			0 40	3 30	3 70	£438 00	£118 38
Reconciliations (& IPS accounting reviews)				0 60	0 60	£66 00	£110 00
General							
Books and records		0 10	8 70	2 30	11 10	£1 791 50	£161 40
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 00	3 80	5 20		10 00	£2 866 00	£286 60
Pre-appointment checks		2 00			2 00	£640 00	£320 00
Reports to debenture holders	5 00	8 00		0 90	13 90	£4 956 50	£356 58
Strategy documents	4 50	0 50	0 35		5 35	£2,311 25	£432 01
Tax							
Initial reviews - GT and VAT		1 60	0 75		2 35	£635 75	£270 53
Post appointment corporation tax		0 15	0 70		0 85	£167 25	£196 76
Post appointment VAT		0 20			0 20	£64 00	£320 00
Creditors							
Creditors and claims							
General correspondence		4 55	13 20		17 75	£5 949 00	£222 48
Notification of appointment		5 40	1 25		6 65	£2,223 25	£334 32
Secured creditors			0 15		0 15	£26 25	£175 00
Statutory reports	0 50	4 60	6 75	1 50	13 35	£3,178 25	£238 07
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	4 00	12 40			16 40	£5 804 50	£353 93
Office equipment fixtures & fittings		1 30			1 30	£526 50	£405 00
Total in period					132 85	£35 912 25	£270 32
Pre appointment time (if any irrecoverable)					23 95	£6 484 00	
Disbursements							
Sundry expenses						£59 00	
Storage and removal costs						£112 39	
Statutory advertising						£75 60	
Mail re-direction						£51 98	
Valegate tax free						£71 80	
						£370 77	



Appendix 3 (continued)

Schedule of rates of charging

The current hourly charge-out rates for staff engaged on the administration are as follows

	Restructuring
Partner/director	£440-£515
Management	£320-£405
Case administrators	£165-£225
Support	£105



G&H Construction Limited
– in administration

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

KPMG LLP

2 February 2011

Appendix 4

Schedule of Administrators expenses

Appendix 4

Schedule of expenses for the period 9 July 2010 to 8 January 2011

	Paid £	Accrued £	Total for period £
Trading			
Direct costs (<i>wages/ purchases</i>)	0	0	0
Trading overheads (<i>if trading include rent etc</i>)	0	0	0
Cost of Realisations			
Administrators' remuneration	0	35 912 25	35 912 25
Administrators' expenses	0	370 77	370 77
Administrators' insurance	0	286 65	286 65
Other realisation costs - Legal fees and expenses	0	2,000 00	2,000 00
Sundry overheads (<i>if not trading rent and other overheads bank charges</i>)	0	1,000 00	1,000 00
	<u>0</u>	<u>39,569 67</u>	<u>39,569 67</u>

Notes for completion

The paid column should agree to the receipts and payments account

The accrued column will be based on the accrued costs which will be supported by purchase orders issued in the period