

## The Insolvency Act 1986

**Administrator's progress report**

Name of Company <b>Kirkhollow Limited</b>	Company number <b>06579331</b>
In the <b>High Court of Justice, Chancery Division</b> <small>[full name of court]</small>	Court case number <b>8289 of 2011</b>

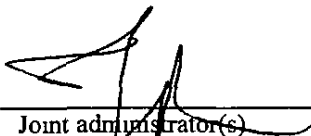
(a) Insert full name(s) and address(es) of administrator(s)

~~I/We~~ (a) Shay Bannon and Antony David Nygate of BDO LLP, 55 Baker Street, London, W1U 7EU

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

(b) Insert date	From	to
	(b) 22 September 2011	(b) 21 March 2012

Signed

  
Joint administrator(s)

Dated

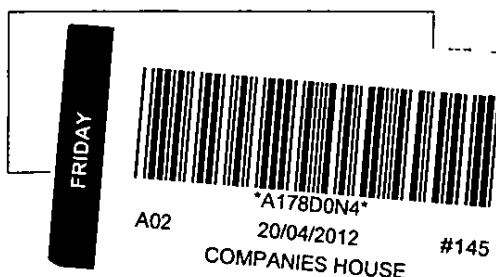
18/4/2012

**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.

BDO LLP, 55 Baker Street, London	
W1U 7EU	
Our Ref 2/APH/Kirkhollow Form 2/A6	Tel
DX Number	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





Tel +44 (0)20 7486 5888  
Fax +44 (0)20 7935 3944  
DX 9025 West End W1  
www.bdo.co.uk

55 Baker Street  
London W1U 7EU

«NAME»  
«A1»  
«A2»  
«A3»  
«A4»  
«A5»

18 April 2012

Our Ref 7/ADR/Kirkhollow Joint  
Report/A6

Please ask for Adam Roseby  
020 7893 2862  
adam.roseby@bdo.co.uk

## TO ALL CREDITORS

Dear Sirs

**Kirkhollow Limited  
Keybank Limited  
Kenplaid Limited (together "the Companies") - All in Administration**

This report is addressed to the creditors of the Companies. Please note that the report encompasses the administrations of all three of the Companies due to their affairs being closely connected and interlinked.

It is now six months since my appointment in respect of the Companies. In accordance with Rule 2.47 of the Insolvency Rules 1986 I am reporting the progress made in implementing the approved proposals and achieving the statutory purpose of the administrations.

### 1 Statutory Information

The joint administrators are Shay Bannon and Antony David Nygate of BDO LLP, 55 Baker Street, London, W1U 7EU and they were appointed in respect of the Companies on 22 September 2011. Under the provisions of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 the joint administrators carry out their functions jointly and severally and neither joint administrator has exclusive power to exercise any function.

The joint administrators were appointed by National Westminster Bank plc ("NatWest") in its capacity as a qualifying floating charge holder pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act. The Companies' registered offices are situated at c/o BDO LLP, 55 Baker Street, London, W1U 7EU. The administration proceedings are dealt with in the High Court of Justice, Chancery Division and the court case numbers are shown below together with the registered numbers and dates of incorporation.

Company	Registered No.	In The High Court Of Justice	Date of Incorporation
Kirkhollow Limited	06579331	8289 Of 2011	29 April 2008
Keybank Limited	06668395	8278 Of 2011	8 August 2008
Kenplaid Limited	06640623	8279 Of 2011	8 July 2008

2/APH/All Companies Report  
g:\office97\implementation team\implementation cases\kirkhollow\compliance\6 monthly\all companies report.docx



## **2 Receipts & Payments**

I enclose, for your information, a summary of my receipts and payments to date for each of the Companies showing a balance in hand as follows:

Company	(£)
Kirkhollow Limited	11,588.31
Kenplaid Limited	11,588.32
Keybank Limited	11,588.32

I trust that the receipts and payments shown are largely self explanatory.

## **3 Management of the Company's Affairs since the Joint Administrators' Appointment**

As previously reported, immediately upon our appointment on 22 September 2011, the joint administrators entered into a sale of the Companies' properties to Bondcare Willington Limited ("Willington"), for a consideration of £15.166m. The consideration was sufficient to repay the debt due to the secured creditor, and was payable upon Willington agreeing new banking facilities.

There was a longstop date by which the consideration was to be paid. This was extended with the agreement of NatWest whilst the banking facility was properly documented. The sale consideration was received on 6 December 2012.

## **4 Costs in the Administration**

Details of the joint administrators' proposed remuneration in the administrations is provided below. In accordance with Rule 2.67A(3)(1)(i) of the Insolvency Act 1986, the secured creditor has approved the pre-appointment fees of BDO LLP in the sum of £52,317.21 plus VAT. These fees, which have been drawn equally from funds realised in the three administrations, relate to the negotiations with Willington and NatWest in respect of the sale of the properties, the documenting of the transaction and liaison with the respective legal advisors, and all matters pertaining to the joint administrators' proposed appointment.

As outlined on the attached summaries of our receipts and payments, legal fees totalling £78,767.43 plus VAT have been paid to CMS Cameron McKenna LLP, the joint administrators' solicitors, in respect of advice provided to the joint administrators relating to the sale to Willington and the administration appointments generally.

## **5 Future of the Administration**

As stated in my report dated 14 November 2011, the second statutory objective of an administration has been achieved in respect of the Companies since the secured creditor will benefit from an enhanced return arising from a sale in excess of market value. This objective would most likely not have been achieved had the Companies been wound up without first being in administration.

I am now in a position to conclude these administrations and accordingly enclose my final report to creditors with this six month progress report.

## **6 Prospects for Creditors**

### **6.1 Secured Creditor**

As stated above, the sale of the Companies' properties was sufficient to discharge the Companies' secured liabilities in full.

### **6.2 Preferential and Unsecured Creditors**

I have not been informed of, or been made aware of there being any preferential or unsecured creditors of any of the Companies. There would be no return to these classes of creditor in any event.

### **6.3 Prescribed Part**

Under the provisions of Section 176A of the Insolvency Act 1986 the joint administrators must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where the Companies have granted a floating charge to a creditor after 15 September 2003.

In this particular case there are no realisations attributable to the floating charge security, so there will be no prescribed part in the administrations.

## **7 Joint Administrators' Remuneration**

Where there is insufficient realisable property to enable a distribution to be made to unsecured creditors other than by reason of prescribed part (which is mentioned above), the joint administrators' remuneration will be subject to the approval of the secured creditor as set out in Rule 2.106(5A)(a) of the Insolvency Rules 1986.

The secured creditor has approved the joint administrators' remuneration on a time costs basis (subject to there being sufficient realisations in the administrations) and I provide below a summary of the time costs accrued to date. These will shortly be drawn, to the extent possible, from funds held in the administrations

<b>Company</b>	<b>Time costs accrued (£)</b>	<b>Time costs drawn (£)</b>	<b>Time costs outstanding (£)</b>
Kirkhollow Limited	12,553.05	-	12,553.05
Kenplaid Limited	9,779.15	-	9,779.15
Keybank Limited	9,453.90	-	9,453.90

I attach to this report schedules that provide a breakdown of the work undertaken in the administrations to date. I also draw your attention to the extract from the Insolvency Rules 1986 in respect of the rights of creditors as regards the fees and expenses of the joint administrators.

## **8 Joint Administrators' Disbursements**

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1

disbursements. I provide below a summary table of disbursements that have been drawn in the administrations.

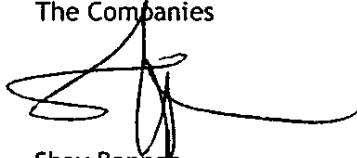
Company	Disbursements accrued (£)	Disbursements drawn (£)	Disbursements outstanding (£)
Kirkhollow Limited	353.50	-	353.50
Kenplaid Limited	348.50	-	348.50
Keybank Limited	348.50	-	348.50

Some administrators recharge expenses for example postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors, before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP is not to charge any category 2 disbursements.

I provide at the end of this report an extract from the Insolvency Rules 1986 setting out the rights of creditors to request further information and/or challenge the remuneration or fees within the Administration.

Should you have any queries in respect of this report, please do not hesitate to contact Adam Roseby on the above telephone number.

Yours faithfully  
For and on behalf of  
The Companies



Shay Bannon  
Joint Administrator  
Licensed to act as an insolvency practitioner by the Association of Chartered Certified Accountants

Enc

**Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Administrators' fees and expenses:-**

**Rule 2.48A Creditors' request for further information**

- (1) If—
- (a) within 21 days of receipt of a progress report under Rule 2.47—
    - (i) a secured creditor, or
    - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor, makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2.47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2).
- (2) The administrator complies with this paragraph by either—
- (a) providing all of the information asked for, or
  - (b) so far as the administrator considers that—
    - (i) the time or cost of preparation of the information would be excessive, or
    - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
    - (iii) the administrator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—
- (a) the giving by the administrator of reasons for not providing all of the information asked for, or
  - (b) the expiry of the 14 days provided for in paragraph (1), and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2.109(1B) by such further period as the court thinks just

**Rule 2.109 Creditors' claim that remuneration or other expenses are excessive**

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that—
- (a) the remuneration charged by the administrator,
  - (b) the basis fixed for the administrator's remuneration under Rule 2.106, or
  - (c) expenses incurred by the administrator, is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

**Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Administrators' fees and expenses (continued):-**

**Rule 2 109 (continued)**

(3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the administrator was entitled to charge;

(b) an order fixing the basis of remuneration at a reduced rate or amount,

(c) an order changing the basis of remuneration;

(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration,

(e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration

**Kirkhollow Limited  
In Administration**

**Summary of Joint Administrators' Receipts And Payments from 22 September  
2011 to 21 March 2012**

**RECEIPTS** **£**

Freehold land & property	8,414,150.87
Contribution	64,000.00
Bank interest net of tax	0 57
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	<b>8,478,151.44</b>

**PAYMENTS**

Legal fees & disbursements	26,255 81
Pre-appointment fees	17,439 07
Input VAT (not recoverable)	8,717 38
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	<b>52,412.26</b>

**DISTRIBUTIONS**

Distribution paid to National Westminster Bank plc	8,414,150 87
Balance in hand	11,588 31
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	<b>8,478,151.44</b>

**BDO LLP  
55 Baker Street  
London  
W1U 7EU**

**S Bannon & A D Nygate  
Joint Administrators  
18 April 2012**

N.B. The directors did not submit a statement of affairs in this administration



**Keybank Limited  
In Administration**

**Summary of Joint Administrators' Receipts And Payments from 22 September  
2011 to 21 March 2012**

**RECEIPTS**

**£**

Freehold land & property	4,285,818.99
Contribution	64,000.00
Bank interest net of tax	0.57
	<hr/>
	4,349,819.56
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**PAYMENTS**

Legal fees & disbursements	26,255.81
Pre-appointment fees	17,439.07
Input VAT (not recoverable)	8,717.37
	<hr/>
	52,412.25

**DISTRIBUTIONS**

Distribution paid to National Westminster Bank plc	4,285,818.99
Balance in hand	11,588.32
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	4,349,819.56
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**BDO LLP  
55 Baker Street  
London  
W1U 7EU**

**S Bannon & A D Nygate  
Joint Administrators  
18 April 2012**

N.B The directors did not submit a statement of affairs in this administration

**Kenplaid Limited  
In Administration**

**Summary of Joint Administrators' Receipts And Payments from 22 September  
2011 to 21 March 2012**

**RECEIPTS**

**£**

Freehold land & property	2,365,154.14
Contribution	64,000.00
Bank interest net of tax	0.57
	<hr/>
	2,429,154 71
	<hr/>

**PAYMENTS**

Legal fees & disbursements	26,255.81
Pre-appointment fees	17,439 07
Input VAT (not recoverable)	8,717.37
	<hr/>
	52,412 25

**DISTRIBUTIONS**

Distribution paid to National Westminster Bank plc	2,365,154.14
Balance in hand	11,588 32
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	2,429,154 71
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**BDO LLP  
55 Baker Street  
London  
W1U 7EU**

**S Bannon & A D Nygate  
Joint Administrators  
18 April 2012**

**N.B. The directors did not submit a statement of affairs in this administration**

# Kirkhollow Limited - In Administration

## Summary of Time Charged and Rates Applicable for the Period From 22 September 2011 to 21 March 2012

Description	MANAGER		SENIOR EXECUTIVE		EXECUTIVE		OTHER STAFF		GRAND TOTAL		AV RATE
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	£
B Steps on Appointment	2 00	910 00			8 00	1,097 00			10 00	2,007 00	200 70
D General Administration	11 85	5,315 55	4 00	980 00	11 30	1,706 75	0 25	22 50	27 40	8,024 80	292 88
I Reporting	2 25	1,023 75	0 50	122 50	13 30	1,375 00			16 05	2,521 25	157 09
	16 10	7,249 30	4 50	1,102 50	32 60	4,178 75	0 25	22 50			

Net Total 53 45 12,553 05 234 86

Other Disbursements 353 50

Billed 0 00

Grand Total 12,906 55

Keybank Limited - In Administration

Summary of Time Charged and Rates Applicable for the Period From 22 September 2011 to 21 March 2012

Description	MANAGER		SENIOR EXECUTIVE		EXECUTIVE		OTHER STAFF		GRAND TOTAL		AV RATE
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	£
B Steps on Appointment	2 00	910 00			1 50	168 00			3 50	1,078 00	308 00
D General Administration	12 25	5,478 50	2 45	600 25	2 90	292 15	0 25	22 50	17 85	6,393 40	358 17
I Reporting	2 25	1,023 75	0 50	122 50	8 55	836 25			11 30	1,982 50	175 44
	16 50	7,412 25	2 95	722 75	12 95	1,296 40	0 25	22 50			

Net Total 32 65 9,453 90 289 55

Other Disbursements 348 50

Billed 0 00

Grand Total 9,802 40

# Kenplaid Limited - In Administration

## Summary of Time Charged and Rates Applicable for the Period From 22 September 2011 to 21 March 2012

Description	MANAGER		SENIOR EXECUTIVE		EXECUTIVE		OTHER STAFF		GRAND TOTAL		AV RATE	
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	£	£
B Steps on Appointment	2 00	910 00			1 50	168 00			3 50	1,078 00		308 00
D General Administration	12 00	5,364 75	4 15	1,016 75	2 65	269 65	0 25	22 50	19 05	6,673 65		350 32
I Reporting	2 25	1,023 75	0 50	122 50	9 05	881 25			11 80	2,027 50		171 82
	16 25	7,298 50	4 65	1,139 25	13 20	1,318 90	0 25	22 50				

Net Total 34 35 9,779 15 284 69

Other Disbursements 348 50

Billed 0 00

Grand Total 10,127 65