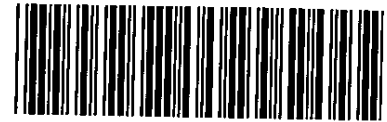


AM10

Notice of administrator's progress report



SATURDAY



A20 *A77R2802* #33
09/06/2018
COMPANIES HOUSE

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 9 7 5 9 8 1 8

Company name in full ABC Prop Co Holdings Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Tyrone Shaun

Surname Courtman

3 Administrator's address

Building name/number Sky View, Argosy Road

Street East Midlands Airport

Post town Castle Donington

County/Region Derby

Postcode D E 7 4 2 S A

Country

4 Administrator's name ①

Full forename(s) Mark Grahame

Surname Tailby

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 21 High View Close

Street Hamilton Business Park

Post town Hamilton

County/Region Leicester

Postcode L E 4 9 L J

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d 1	d 1	m 1	m 1	y 2	y 0	y 1	y 7
To date	d 1	d 0	m 0	m 5	y 2	y 0	y 1	y 8

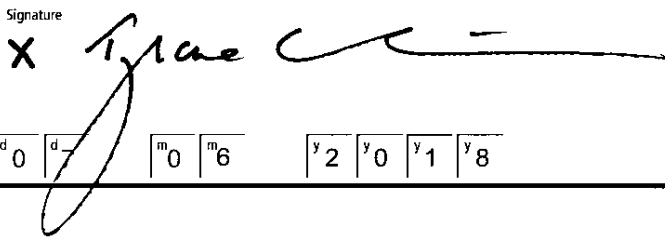
7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X  X

Signature date

d 0	d 7	m 0	m 6	y 2	y 0	y 1	y 8
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AM10

Notice of administrator's progress report



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Contact name Jacob Staten

Company name PKF Cooper Parry Group Limited

Address Sky View, Argosy Road

East Midlands Airport

Post town Castle Donington

County/Region Derby

Postcode

D	E	7	4		2	S	A
---	---	---	---	--	---	---	---

Country

DX

Telephone 01332 411163



Checklist

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- ☐ You have attached the required documents.
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DX 33050 Cardiff.



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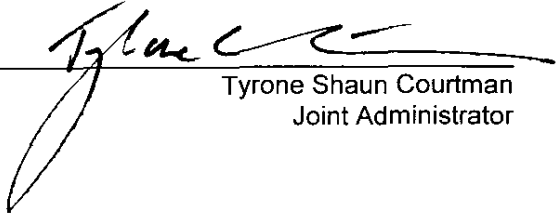
This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

ABC Prop Co Holdings Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 11/11/2017 To 10/05/2018 £	From 11/11/2016 To 10/05/2018 £
POST APPOINTMENT SALES		
Rent	NIL	19,201.10
Service Charge	NIL	3,566.67
Contribution to Legal Fees	NIL	1,320.00
	NIL	24,087.77
TRADING EXPENDITURE		
Utilities		
Gas	NIL	96.83
Electricity	NIL	2,029.14
Water	NIL	290.85
Repairs & Maintenance	NIL	1,878.00
Cleaning/Waste Collection	NIL	2,920.70
Site Visits/Management Charges	NIL	6,500.00
Pest Control	NIL	280.00
Fire Safety Inspection	NIL	313.75
Legal Fees	NIL	1,320.00
	NIL	(15,629.27)
TRADING SURPLUS/(DEFICIT)	NIL	8,458.50

ABC Prop Co Holdings Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 11/11/2017 To 10/05/2018 £	From 11/11/2016 To 10/05/2018 £
	ASSET REALISATIONS		
1,100,000.00	Freehold Property (Caroline House)	NIL	350,000.00
3,300,000.00	Freehold Property (Prospect House)	NIL	875,000.00
200,000.00	Freehold Property (PH, Land/Car Park)	NIL	NIL
112,000.00	Fixtures & Fittings	NIL	NIL
	Book Debts	NIL	2,820.00
55.00	Cash at Bank	NIL	27.17
	Bank Interest Gross	608.47	686.04
	Utilities Refunds	1.33	1.33
	Trading Surplus/(Deficit)	NIL	8,458.50
		609.80	1,236,993.04
	COST OF REALISATIONS		
	Site Visits/Management Charges	NIL	2,250.00
	Specific Bond	NIL	3,000.00
	Utilities		
	Unassigned	NIL	291.32
	Electricity	270.29	4,783.01
	Caroline House - Hygiene Supplies	217.55	217.55
	Administrators' Pre-Appointment Fees	NIL	15,000.00
	Administrators' Fees		
	Basic	NIL	25,000.00
	Property	NIL	17,500.00
	Other	NIL	6,245.51
	IPT on Insurance payments	NIL	338.29
	Agents/Valuers Fees	NIL	25,490.00
	Legal Fees		
	Pre - Appointment	NIL	6,184.67
	Post - Appointment	NIL	22,335.00
	Legal Disbursements	NIL	20.00
	Rent Deposit	NIL	2,880.00
	Insurance of Assets	NIL	7,330.13
	Bank Charges	12.00	17.00
		(499.84)	(138,882.48)
	UNSECURED CREDITORS		
(10,859.00)	Trade & Expense Creditors	NIL	NIL
(105,600.00)	Business Rates (Contingent Creditor)	NIL	NIL
(1,071,283.00)	TPS Investments (UK) Limited	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
3,524,213.00		109.96	1,098,110.56
	REPRESENTED BY		
	VAT on Payments		25,794.18
	Bank 1 - Current Floating (Int Bearing)		1,098,360.56
	VAT on Receipts		(249,897.56)
	Vat Control Account		223,853.38
			1,098,110.56



Tyrone Shaun Courtman
Joint Administrator

Privacy Notice

The following information is provided to comply with the requirements of the General Data Protection Regulation.

This privacy statement describes why and how we collect and use personal data and provides information about individuals' rights. It applies to personal data provided to us, both by individuals themselves or by others. We may use personal data provided to us for any of the purposes described in this privacy statement or as otherwise stated at the point of collection.

Identity and contact details of the controller and where applicable, the controller's representative and the data protection officer	<p>Where an insolvency practitioner of PKF Cooper Parry Group Limited is not appointed as office holder, the data controller is either the company/individual on whose instructions PKF Cooper Parry Group Limited is acting or it is PKF Cooper Parry Group Limited. The contact details of PKF Cooper Parry Group Limited are: Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby, DE74 2SA, 01332 411163, jacobs@pkfcooperparry.com.</p> <p>Where an insolvency practitioner of PKF Cooper Parry Group Limited is appointed as office holder and the data processing is carried out as part of their statutory duties, the office holders are the data controllers. The insolvency practitioners can be contacted at: PKF Cooper Parry Group Limited, Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby, DE74 2SA, 01332 411163, jacobs@pkfcooperparry.com.</p>
How we use your personal information	<p>The purpose for which personal information is processed may include any or all of the following:</p> <ul style="list-style-type: none">• deliver services and meet legal responsibilities• verify identity where this is required• communication by post, email or telephone• understand needs and how they may be met• maintain records• process financial transactions• prevent and detect crime, fraud or corruption• may also need to use data to defend or take legal actions related to the above
Lawful basis for the processing	<p>Most processing is carried out to comply with our legal obligations under statute and other regulatory obligations related to the insolvency process. We also believe our processing is for the legitimate interests of all stakeholders in the insolvency process, as they are entitled to be kept informed and may wish to engagement in the insolvency process. Where PKF Cooper Parry Group Limited has engaged with a client to perform a service, we will be required to process data to provide the service in accordance with the contractual terms.</p>
What personal information we hold	<p>The categories are: contact details, financial information and location. In rare cases, we may hold some special category data, e.g. trade union membership or information about individuals' health, which will be necessary to administer the insolvency process in line with our legal obligations.</p>
Who we share our data with	<p>Our firm may have offices outside of the UK and the European Union ("EU"). We may also use third parties located in other countries to help us run our business. As a result, personal data may be transferred outside the countries where we and our clients are located. This includes countries outside the EU and countries that do not have laws that provide specific protection for personal data. We have taken steps to ensure all personal data is provided with adequate protection and that all transfers</p>

	<p>of personal data outside the EU are done lawfully. Where we transfer personal data outside of the EU to a country not determined by the European Commission as providing an adequate level of protection for personal data, the transfers will be under an agreement which covers the EU requirements for the transfer of personal data outside the EU.</p> <p>Personal data held by us may be transferred to:</p> <p>Other member firms and/or Other offices Details of our member firm/other office locations are available here https://www.pkfcooperparry.com/who-we-are/where-to-find-us/. We may share personal data with other member firms/other offices where necessary for administrative purposes and to provide professional services to our clients.</p> <p>Third party organisations that provide applications/functionality, data processing or IT services to us We use third parties to support us in providing our services and to help provide, run and manage our internal IT systems. For example, providers of information technology, cloud-based software as a service providers, identity management, website hosting and management, data analysis, data back-up, security and storage services. The servers powering and facilitating that cloud infrastructure are located in secure data centres around the world, and personal data may be stored in any one of them.</p> <p>Third party organisations that otherwise assist us in providing goods, services or information</p> <p>Auditors and other professional advisers</p> <p>Law enforcement or other government and regulatory agencies or to other third parties as required by, and in accordance with, applicable law or regulation Occasionally, we may receive requests from third parties with authority to obtain disclosure of personal data, such as to check that we are complying with applicable law and regulation, to investigate an alleged crime, to establish, exercise or defend legal rights. We will only fulfil requests for personal data where we are permitted to do so in accordance with applicable law or regulation.</p>
How long we retain your personal information	<p>We retain personal data for as long as is necessary to achieve the purpose listed above and for any other permissible related purpose. For example, we retain most records until the time limit for claims arising from the activities has expired or otherwise to comply with statutory or regulatory requirements regarding the retention of such records.</p>
Your rights	<p>The GDPR provides the following rights for individuals:</p> <p>Right to inform This privacy notice meets our requirement to inform you of our processing of your data.</p> <p>Access to personal data You have a right of access to personal data held by us as a data controller. This right may be exercised by contacting us on 01332 411163 or jacobs@pkfcooperparry.com. We will aim to respond to any requests for information promptly, and in any event within one month.</p> <p>Amendment of personal data To update personal data submitted to us, you may email us at [insert address] or, where appropriate, contact us via the relevant website registration page or by amending the personal details held on relevant applications with which you registered.</p>

	<p>Rights that do not apply in these particular circumstances</p> <p>Not all of the rights under the GDPR are available as one of the reasons we are holding your data is on the basis of it being a legal obligation and therefore the right to erasure, data portability and to object do not apply.</p>
Right to withdraw consent	The data received was not based upon obtaining consent and therefore the right to withdraw consent does not apply.
Changes to our privacy statement	<p>We keep this privacy statement under regular review and will place any updates on our website. Paper copies of the privacy statement may also be obtained by writing to us at PKF Cooper Parry Group Limited, Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby, DE74 2SA.</p> <p>This privacy statement was last updated on 25 May 2018.</p>
Complaints	<p>Should you want to complain about our use of personal data, please contact us on 01332 411163 or jacobs@pkfcooperparry.com.</p> <p>You also have the right to lodge a complaint with the Information Commissioner's Office ("ICO") (the UK data protection regulator). For further information on your rights and how to complain to the ICO, please refer to the ICO website.</p>
Who provided the personal data	The personal data we have used to contact you was provided by the company/individual (or persons acting on their behalf) on whose instructions we are acting or in relation to which our insolvency practitioner has been appointed. We also access information from the Registrar of Companies and other similar public-access data providers.

AM10

Notice of administrator's progress report



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 09759818

Company name in full ABC Prop Co Holdings Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Tyrone Shaun

Surname Courtman

3 Administrator's address

Building name/number Sky View, Argosy Road

Street East Midlands Airport

Post town Castle Donington

County/Region Derby

Postcode DE74 2SA

Country

4 Administrator's name ①

Full forename(s) Mark Grahame

Surname Tailby

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 21 High View Close

Street Hamilton Business Park

Post town Hamilton

County/Region Leicester

Postcode LE4 9LJ

Country

② Other administrator
Use this section to tell us about
another administrator.

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Notice of administrator's progress report

6 Period of progress report

From date	d	1	d	1	m	1	m	1	y	2	y	0	y	1	y	7
To date	d	1	d	0	m	0	m	5	y	2	y	0	y	1	y	8

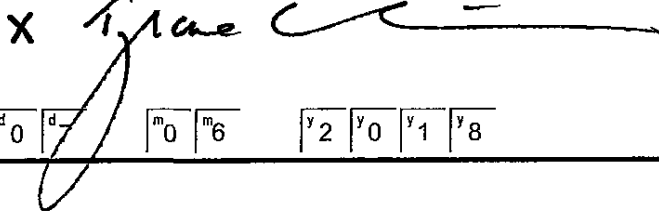
7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X  X

Signature date

d	0	d		m	0	m	6	y	2	y	0	y	1	y	8
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AM10

Notice of administrator's progress report



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 **Jacob Staten**

Company name **PKF Cooper Parry Group Limited**

Address **Sky View, Argosy Road**

East Midlands Airport

Post town **Castle Donington**

County/Region **Derby**

Postcode

D	E	7	4		2	S	A
---	---	---	---	--	---	---	---

Country

DX

Telephone **01332 411163**



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DX 33050 Cardiff.



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**High Court of Justice Chancery Division,
Manchester District Registry
No. 3009 of 2016**

**ABC Prop Co Holdings Limited
(In Administration)**

The Joint Administrators' Progress Report of the Period 11 November 2017 to 10 May 2018

Tyrone Shaun Courtman

PKF Cooper Parry Group Limited

Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby, DE74 2SA

01332 411163

jacobs@pkfcooperparry.com

And

Mark Grahame Tailby

MT Insolvency Limited

21 High View Close, Hamilton Office Park, Hamilton, Leicester, LE4 9LJ

0116 216 6223

mark.tailby@mtinsolvency.co.uk

This report has been prepared for the sole purpose of updating the creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Tyrone Shaun Courtman and Mark Grahame Tailby were appointed Joint Administrators of ABC Prop Co Holdings Limited on 11 November 2016. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

Contents

1. Executive Summary
2. The Progress of the Administration
3. Creditors: Claims and Distributions
4. Investigations
5. Joint Administrators' Fees and Expenses
6. Conclusion

Appendices

- I. Statutory Information and Definitions
- II. The Joint Administrators' Combined Estimated Outcome Statement and Receipts & Payments Account
- III. Bases of Disbursements
- IV. Details of Work Undertaken by the Joint Administrators
- V. Proof of Debt form

1. EXECUTIVE SUMMARY

This report describes the progress for the period from 11 November 2017 to 10 May 2018 ("the Review Period") and it should be read in conjunction with the previous report.

A summary of key information in this report is detailed below.

1.1 Summary of Key Issues Outstanding

- Continue to liaise with Howes Percival LLP ("Howes Percival") regarding the result of the Court hearing and next steps
- Determining viability of pursuing EB Centres Limited position (see 2.5.1)
- Establishing the validity or otherwise of the Alpha Companies Trust Position (see 3.1.3)
- *Ascertain the potential Transaction at an Undervalue position (see 3.3.3)*
- Distribute available funds to relevant parties (see 3.1 to 3.4)

As previously reported, an extension to the period of Administration of 12 months was granted to 10 November 2018. It is currently unclear whether a further extension will be required, this will be reliant upon the *outcome/likely outcome and/or length of time required to resolve the key issues outstanding*. This exit route for the administration shall be reliant on the above and shall be determined by reference to the circumstances and the Administrators proposals.

2. THE PROGRESS OF THE ADMINISTRATION

2.1 The Joint Administrators' Combined Estimated Outcome Statement and Receipts & Payments Account

Attached at Appendix II is a Combined Estimated Outcome Statement and Receipts and Payments Account for the Review Period.

The rest of this report describes the key developments in the Administration over the Review Period. For a detailed list of work undertaken by the Joint Administrators as a whole see Appendix IV.

In this section, we have summarised the main asset realisations during the Review Period and an estimation of those assets yet to be realised, together with details of the associated costs of the realisations.

2.2 Administration (Including Statutory Reporting)

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the Administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards.

During the Review Period, primarily these tasks have included:

- Drafting and issuing the progress report to creditors;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the Administration and any decisions made by the Joint Administrators that materially affect the Administration;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the Administration is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments;

- Completing periodic tax returns;
- Continuing the investigation into the Company's relationship with EB Centres Limited, discussing with solicitors regarding appropriate action;
- Liaising with solicitors in respect of the potential security (by way of a trust) claimed by ABC Alpha Business Centres UK Limited – In Administration, ABC Alpha Business Centres VI UK Limited – In Administration and ABC HNW Limited – In Administration ("the Alpha Companies");
- Liaising with Solicitors and various parties with regards to the Court Hearing held on 27 January 2018 and discussing strategy for possible next actions; and
- Liaising with solicitors and continuing the investigation into the potential Transactions at an Undervalue between the Company and associated company, TPS Investments (UK) Limited - In Administration ("TPS"), regarding the transfers of Caroline House and Prospect House (*Note: The Joint Administrators are also appointed as Joint Administrators in respect of the Administration of TPS*).

2.3 Trading

As you are aware in prior to the Review Period, the Joint Administrators' continued to trade as landlords in respect of the site known as Caroline House. The period of trade was carried on from 11 November 2016 (the date the Company entered Administration), until the property was sold on 12 May 2017 ("the Trading Period"). While the majority of the Trading Period was covered on in the last report, there was still movement during this period, this movement is detailed below.

2.3.1 Trading Receipts & Payments

Service Charge

You may recall in my previous report to creditors a further £682 relating to arrears of service charges due from one tenant. The debt has been pursued by both the Joint Administrators and Howes Percival LLP ("Howes Percival") but with no success. After considering the further costs involved in pursuing this debt it was deemed uneconomical to pursue any further.

Utilities

During the Review Period the Joint Liquidators received a refund of £1 in respect of Electricity supplied to Caroline House.

Hygiene Supplies

During the Review Period the Joint Administrators were made aware of an outstanding invoice in respect of Hygiene supplies for the period of occupation at Caroline House. A total of £218 was paid.

After the movement in the Review Period is accounted for the summarised Trading Receipts & Payments is as follows:

	Trading Profit/(Loss) to 10 November 2017	Trading Profit/(Loss) from 10 May 2018	Anticipated Trading Profit/(Loss) Movements	Total Trading Profit/(Loss)
	£	£	£	£
Trading Profit/(Loss)	4,737	(217)	Nil	4,521

2.4 Realisation of Assets

2.4.1 Trading Surplus

As detailed in section 2.3.1, after payment of all trading expenditure, the Joint Administrators calculated a trading surplus of £4,521 (before Joint Administrators' fees).

Note: Although defined as a Trading Surplus for the purpose of this report, the figure is derived by deducting property holding costs from rental/service charge realisations. For the avoidance of doubt,

the majority of these costs would have been necessarily incurred regardless of whether any income was received.

2.4.2 Bank Interest Gross

During the period £608 of gross bank interest was received with a total of £686 received to date. This will be accounted for in the Corporation Tax returns to HM Revenue & Customs ("HMRC").

2.5 Estimated Future Realisations

2.5.1 EB Centres Limited

As previously reported, the Joint Administrators are taking advice from Howes Percival with regards to appropriate action in relation to the debt calculated of £30,164 owing to the Company from EB Centres Limited ("EB Centres"). EB Centres was a former agent used to collect rent on behalf of the Company and has since been dissolved despite the Joint Administrators objections, due to an administrative error at Companies House.

Given the costs involved in restoring the Company, the Joint Administrators will be resolving this issue after concluding the positions discussed in sections 3.1.2 to 3.3.3.

2.6 Costs of the Administration

2.6.1 Legal Fees

As you are aware, Howes Percival have been acting on the Joint Administrators behalf on a time cost basis.

To date £22,355 has been paid to Howes Percival (detailed in my previous report). During the Review Period no further legal costs were paid from the estate, however Howes Percival have continued to act on a number of matters (detailed in sections 3 & 4).

The anticipated future expenses of £26,905 (+ VAT) are comprised of:

Legal Fees	£
Outstanding Time Costs to Date – General Advice	8,361
Outstanding Time Costs to Date – Court related application to Remove Charges	5,996
Anticipated Future Time Costs	10,000
Estimated Future Disbursements	2,500
Unbilled Disbursements	48
	26,905

These expenses are for dealing with the matter detailed in sections 3 & 4.

2.6.2 Utilities (Prospect House)

The sum of £270 has been paid in utilities in relation to Prospect House during the Review Period, totalling £5,074 to date, all of which relates to electricity charges paid to Npower. No further utilities costs are expected to be incurred.

As supplies of gas and water to the property were disconnected in the pre-Administration period, following this final electricity bill there will be further utilities payments expected.

2.6.3 Bank Charges

Bank charges of £12 were paid during the Review Period in connection with a cheque cancellation. The total bank charges to date is £17.

3. CREDITORS: CLAIMS AND DISTRIBUTIONS

3.1 Secured Creditors

3.1.1 The Alpha Companies

As previously reported, the Alpha Companies are a competing interest for the proceeds of the sale of Caroline House and Prospect House through an alleged Trust. The Alpha Companies are currently in Administration with Simon David Chandler and Scott Christian Bevan of Mazars LLP appointed as Joint Administrators. The Alpha Companies are asserting that the monies used to purchase Caroline House and Prospect House originated from the Alpha Companies. The Joint Administrators and Howes Percival are continuing to assess the validity of the trust.

The current position is that the validity cannot be assessed until issues surrounding the potential Transactions at Undervalue (see section 3.3.3) have been resolved. Once these positions have been established the trust will be assessed and the Alpha Companies informed accordingly.

- 3.1.2** As previously reported, if the Alpha Companies trust position has not been proven to the satisfaction of the Joint Administrators, then there will be no secured creditors in this matter.

3.2 Preferential Creditors

No preferential claims have been received to date, nor were any expected per the Estimated Outcome Statement provided (at Appendix II) with the Administrators' Proposals or the Director's Statement of Affairs.

3.3 Unsecured Creditors

3.3.1 Claims Received to Date

As stated in the previous report to creditors, the Director is still indisposed and is unable to approve a version of the directors Statement of Affairs. However, it is estimated that there are 11 creditors with unsecured claims of £1,187,742.

Unsecured claims received to date amount to £32,804 from 7 creditors. Of the claims outstanding, £1,071,283 relates to a claim resulting from the transfer of Caroline House and Prospect House from TPS.

To date no creditors claims have been agreed.

3.3.2 VAT Position

Detailed in the previous reports to creditors is the possible unsecured claim from HM Revenue & Customs ("HMRC") against the Company for pre-appointment VAT issues. To date the Joint Administrators have not received a formal claim from HMRC.

3.3.3 Potential Transactions at an Undervalue

As you are aware from my previous reports, Caroline House and Prospect House appear to have been transferred to the Company from connected company TPS without TPS receiving a cash consideration for the transfer. The Joint Administrators and Howes Percival have been working to establish if there was any financial and/or strategic benefit to the transactions.

Howes Percival, as previously stated, received various files from the Company's former solicitors but are yet to receive vital information relating to the purchase of Caroline House or Prospect House. Notwithstanding this, Howes Percival are currently collating such information as is available in order for Counsel to advise on the strength (or otherwise) of such a TUV claim and the likelihood of success should one be brought by TPS.

It was previously reported that this matter could not be resolved until Hutchinson's application to replace the Joint Administrators had been heard on 27 January 2018. Following the hearing and subsequent

hearing on 26 February 2018, the Joint Administrators and Howes Percival were successful in retaining the appointment as Administrators but lost control of the sales of the properties in TPS.

Howes Percival and the Joint Administrators have recommenced their review of the position pursuant to the successful hearing result.

3.3.4 Dividend Prospects

As a result of the level of uncertainty caused by the aforementioned issues (see Sections 3.1.1 to 3.3.3 of this report), the Joint Administrators are not in a position to comment on the likelihood of a distribution to unsecured creditors at present.

Creditors should note that the estimated dividends shown on the Combines Estimated Outcome Statement and Receipts & Payments Account (at Appendix II) are for illustrative purposes only.

3.4 Claims Process

Due to the possible distribution to unsecured creditors, you are requested to submit claims to the address on the front of this report if you have not already done so, marked for the attention of Jacob Staten.

A Proof of Debt form is attached at Appendix V.

4. INVESTIGATIONS

4.1 Investigations

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company Director was completed.

In this regard, a confidential report was submitted to The Insolvency Service on 10 February 2017.

4.2 Initial Assessment of Potential Recoveries

As part of our duties as Joint Administrators, we are obliged to review shortly after appointment all the information available to us and conduct an initial assessment of whether there are any matters which may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This review has been completed and the following matter has been identified as having the possibility which would lead to a recovery for creditors:

EB Centres Limited

As detailed at Section 2.5.1 of this report, the Joint Administrators are taking advice from Howes Percival on the merits of restoring the company and commencing recovery proceedings.

4.3 Matters for Further Investigation

4.3.1 Potential Transactions at an Undervalue

As detailed at Section 3.3.3 of this report, additional investigations will be required in order to clarify whether the transfers of Caroline House and Prospect House constitute Transactions at an Undervalue and the quantum of any such claim(s).

4.3.2 Pre-Appointment Property Disposals

Detailed in the previous report to creditors, the Company purportedly disposed of two further properties (known as Minerva House and Crescent House) which were transferred into the Company from TPS. Howes Percival have now reviewed this after receiving various documents from the Company's former solicitors and have established the properties were never transferred into the Company.

5. JOINT ADMINISTRATORS' FEES AND EXPENSES

5.1. Pre-Administration Costs

Included within the Joint Administrators' Proposals was a Statement of Pre-Administration Costs.

These costs were approved as detailed below:

	Amount Approved	
Party Instructed	£	Date Approved
MT Insolvency (+ VAT)	15,000	18 January 2017
Howes Percival (+ VAT)	6,518	18 January 2017
Total Approved	21,518	

The pre-appointment costs of MT Insolvency and Howes Percival were unanimously approved by those unsecured creditors in attendance (in person or by proxy), at a meeting of creditors held on 18 January 2017. Fees to Howes Percival were on 24 May 2017 and to MT Insolvency on 30 May 2017.

5.2. The Joint Administrators' Fees

The bases of the Joint Administrators' fees were unanimously approved by those unsecured creditors in attendance (in person or by proxy), at a meeting of creditors held on 18 January 2017 as follows:

In relation to work performed in realising the Company's assets, conditional fees calculated as follows (together, "the Conditional Fees"):

- 5% of the sale consideration (from property sales); and
- 25% of realisations (from all other assets).

And

A set fee of £25,000 plus VAT in relation to work completed post-appointment ("the Basic Fee").

It is best practice to provide a brief explanation as to why the approved fee basis is fair and reasonable. In this case, most of the Joint Administrators' remuneration has been directly linked to the results achieved in respect of asset realisations.

The Joint Administrators believe that the Basic Fee is a reasonable reflection of the likely costs in dealing with statutory matters and that the Conditional Fees are appropriate as;

- The fee of 5% of property realisation is comparable with the fee that would be charged by a Land and Property Act 1925 Receiver appointed to dispose of the properties; and
- The fee of 25% of other asset realisations is a reasonable reflection of the work involved (as detailed throughout this report) in recovering those assets (and is reflective of the value of these assets by comparison to the properties).

Further, in relation to the Basic Fee and as detailed at Appendix IV, there are several elements of this case which have been highly uncertain and/or continue to require a significant investment of time to resolve, namely:

- Reaching an agreement with HMRC regarding the VAT position;
- Sale of Caroline House and Prospect House with the removal of Hutchinson's invalid security;
- Dealing with trading issues when acting as landlord for Caroline House;
- Preparing for Court Hearing scheduled for 27 January 2018;
- Dealing with the result of the Court Hearing;
- Ascertaining the potential Transactions at an Undervalue position; and
- Clarifying the Alpha's Companies potential security claim.

The Joint Administrators believe that the approved fee bases remove an element of costs that would otherwise be associated with those uncertainties if the Joint Administrators remuneration was based

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upon an alternative time costs basis, and that by linking remuneration to results driven measures our interests are aligned with results driven to improve the position as regards the general body of creditors. Also as the percentage of realisations contributes to the overall cost of the assignment, this ensures that creditors have clarity as to the quantum of remuneration.

In the circumstances, the Joint Administrators consider this fair and reasonable.

Total fees paid to date include the Administrators basic fee of £25,000 and conditional fees of £23,746. The following shows the estimated total conditional fees based on total estimated realisations:

Asset	Realisation £	Fee Basis	Fee £
Prospect House	875,000	5%	43,750
Caroline House	350,000	5%	17,500
Rent	19,201	25%	4,800
Service Charge	3,567	25%	892
Book Debts	2,820	25%	705
Cash at Bank	27	25%	7
EB Centres Limited	Nil	25%	Nil
Prospect House (Car Park)	Nil	25%	Nil
Fixtures and Fittings	Nil	25%	Nil
Non-Domestic Rates Refunds	Nil	25%	Nil
Utilities Refunds	Nil	25%	Nil
Total	1,250,615		67,654

To date fees paid total condition fees paid total £23,746 in relation to Caroline House, Rent, Service Charge, cash at bank and book debts. A Further £43,908 of Joint Administrators fees remain outstanding.

"A Creditors' Guide to Administrators' Fees" is available for download at:

[https://www.r3.org.uk/media/documents/publications/professional/Guide to Administrators fees April 2017.pdf](https://www.r3.org.uk/media/documents/publications/professional/Guide%20to%20Administrators%20fees%20April%202017.pdf)

Should you require a paper copy, please send your request in writing to me at the address on the front of this report and this will be provided to you at no cost.

5.3. Comparison of Estimates

The expenses incurred to date are compared with the original expenses estimate as follows:

Expenses (Category 1)	Original Expenses Estimate £	Actual Expenses Incurred in the Review Period £	Actual Expenses Incurred to Date £	Reason for Any Excess (If the expenses are likely to, or have, exceeded the original estimate)
Legal Fees	16,250	14,356	36,712	Transaction at an Undervalue issues. Dealing with Court Hearings and advice after the hearing. Continued professional advice on various issues.
Agents'/Valuers' Fees	TBC	Nil	25,490	See previous report
Insurance	10,646	Nil	3,947	N/A
Site Visits (Prospect House)	1,200	Nil	2,250	See previous report
Repairs & Maintenance	20,000	Nil	Nil	See previous report
Non-Domestic Rates	212,750	Nil	Nil	See previous report
Utilities	4,076	270	5,074	See previous report

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Expenses (Category 1)	Original Expenses Estimate £	Actual Expenses Incurred in the Review Period £	Actual Expenses Incurred to Date £	Reason for Any Excess (If the expenses are likely to, or have, exceeded the original estimate)
Management Charges (Caroline House)	12,000	Nil	6,500	N/A
Trading Expenses Provision	10,000	Nil	12,850	See previous report
Statutory Advertising	47	Nil	94	See previous report
Insolvency Bond	3,394	Nil	3,394	See previous report
Mail Redirection	350	Nil	350	See previous report
Bank Charges	-	12	17	Charges incurred in the period due to cheque cancellation
TOTAL	290,713	14,638	96,678	

Expenses (Category 2)	Original Expenses Estimate £	Actual Expenses Incurred in the Review Period £	Actual Expenses Incurred to Date £	Reason for Any Excess (If the expenses are likely to, or have, exceeded the original estimate)
Travel Expenses/ Mileage	600	Nil	119	N/A
Other Category 2 Expenses	Nil	Nil	Nil	N/A
TOTAL	600	Nil	119	

The bases on which the expenses defined as Category 2 disbursements are calculated are explained in Appendix III.

Having regard for the costs that are likely to be incurred in bringing this Administration to a close, the Joint Administrators consider that the original expenses estimate is unlikely to be exceeded overall, however some expenses (notably legal fees), will likely be considerably higher than estimated for the reasons outlined above.

5.4. Creditors' Right to Request Information

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with permission of the Court, may request in writing the Joint Administrators to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

5.5. Creditors' Right to Challenge Fees and/or Expenses

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

6. CONCLUSION

The Administration will continue in order to finalise the following outstanding matters:

- Determining viability of pursuing EB Centres Limited position (see 2.5.1)

- Establishing the validity or otherwise of the Alpha Companies Trust Position (see 3.1.3)
- Ascertain the potential Transaction at an Undervalue position (see 3.3.3)
- Distribute available funds to relevant parties (see 3.1 to 3.4)

If you require any further information, please contact Jacob Staten on 01332 411163.



Tyrone Courtman
Joint Administrator

Tyrone Shaun Courtman and Mark Grahame Tailby were appointed Joint Administrators of ABC Prop Co Holdings Limited on 11 November 2016. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

**ABC Prop Co Holdings Limited
(IN ADMINISTRATION)**

STATUTORY INFORMATION

Company Name	ABC Prop Co Holdings Limited
Previous Names	N/A
Proceedings	In Administration
Court	High Court of Justice, Chancery Division, Manchester District Registry
Court Reference	3009 of 2016
Date of Appointment	11 November 2016
Joint Administrators	Tyrone Shaun Courtman PKF Cooper Parry Group Limited Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby, DE74 2SA Mark Grahame Tailby MT Insolvency Limited 21 High View Close, Hamilton Office Park, Hamilton, Leicester, LE4 9LJ
Registered office address	c/o PKF Cooper Parry Group Limited Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby, DE74 2SA
Company Number	09759818
Appointment by	In Court by Director, Abdulrahim Gaffar Omar Mohammed

DEFINITIONS

The Act	Insolvency Act 1986
The Rules	Insolvency Rules 1986 or Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event)
The Joint Administrators	Tyrone Shaun Courtman of PKF Cooper Parry Group Limited and Mark Grahame Tailby of MT Insolvency Limited
The Company	ABC Prop Co Holdings Limited (in Administration)
The Court	High Court of Justice, Chancery Division, Manchester District Registry
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 11 November 2017 to 10 May 2018

**ABC Prop Co Holdings Limited
(IN ADMINISTRATION)**

**THE JOINT ADMINISTRATORS' COMBINED ESTIMATED OUTCOME STATEMENT AND RECEIPTS
AND PAYMENTS ACCOUNT**

	Notes	Statement of Affairs £	Realised During the Period from 11 November 2016 to 10 November 2017 £	Realised During the Period from 11 November 2017 to 10 May 2018 £	Future Realisations £	Estimated Outcome £
Realisation of Assets						
Uncharged Assets						
Prospect House		3,300,000	875,000	-	-	875,000
Caroline House		1,100,000	350,000	-	-	350,000
Trading Surplus	2.4.1	-	4,737	(217)	-	4,521
Book Debts		-	2,820	-	-	2,820
Bank Interest Gross	2.4.2	-	78	608	-	686
Cash at Bank		55	27	-	-	27
EB Centres Limited	2.5.1	-	-	-	-	-
Prospect House (Car Park)		200,000	-	-	-	-
Fixtures and Fittings		110,000	-	-	-	-
		4,710,055	1,232,662	391	-	1,233,054
Costs of the Administration						
Joint Administrators Fees (Conditional Fees)	5.2	TBC	(23,746)	-	(43,906)	(67,654)
Legal Fees	2.6.1	(16,250)	(22,355)	-	(26,905)	(49,260)
Joint Administrators Fees (Basic Fee)	5.2	(25,000)	(25,000)	-	-	(25,000)
Agents/Valuers' Fees (Sales Commission)		TBC	(22,750)	-	-	(22,750)
Joint Administrators Fees (Pre-Appointment)	5.1	(15,000)	(15,000)	-	-	(15,000)
Legal Fees (Pre-Appointment)	5.1	(6,518)	(6,185)	-	-	(6,185)
Utilities (Prospect House)	2.6.2	(2,038)	(4,804)	(270)	-	(5,074)
Joint Administrators Disbursements	5.3	(4,391)	(3,000)	-	(1,165)	(4,165)
Insurance		(4,025)	(3,947)	-	-	(3,947)
Rent Deposit		-	(2,880)	-	-	(2,880)
Agents/Valuers' Fees (Strategic Review)		TBC	(2,500)	-	-	(2,500)
Site Visits/Management Charges (Prospect House)		(1,200)	(2,250)	-	-	(2,250)
Agents/Valuers Fees (Disbursements)		TBC	(240)	-	-	(240)
Bank Charges	2.6.3	-	(5)	(12)	-	(17)
Repairs & Maintenance		(10,000)	-	-	-	-
Non-Domestic Rates		(106,375)	-	-	-	-
		(190,797)	(134,562)	(282)	(71,978)	(206,922)
Estimated surplus/(Deficiency) After Costs		4,900,852	1,098,000.60	109	(71,978)	1,026,132
Best International Limited (The Alpha Companies)	3.3.1	(1,071,283)	-	-	(925,519)	(925,519)
Contingent Creditor (Non-Domestic Rates)	3.3.1	(105,600)	-	-	(91,232)	(91,232)
Trade Creditors	3.3.1	(10,859)	-	-	(9,381)	(9,381)
		(1,187,742)	-	-	(1,026,132)	(1,026,132)
Estimated Surplus/(Deficiency) to Unsecured Creditors		3,713,110	1,098,000.60	109	(1,098,111)	0
Ordinary Share Capital		(100)	-	-	(100)	(100)
Estimated Surplus/(Deficiency) to Members		3,713,010	1,098,001	109	(1,098,211)	(100)
Estimated Dividend to Unsecured Creditors					86	p in £

**ABC Prop Co Holdings Limited
(IN ADMINISTRATION)****BASES OF DISBURSEMENTS**

Category two disbursements are paid to PKF Cooper Parry Group Limited calculated on the rates set out above which are reviewed periodically. Details of revised rates are available on request and will be circulated with statutory reports to creditors and to the Creditors' Committee (if constituted).

Photocopying	10p per sheet
Telephone and faxes	£1 per each debtor and creditor
Mileage	45p per mile
Use of small meeting room	£50 per half day
Use of large meeting room	£100 per half day

**ABC Prop Co Holdings Limited
(IN ADMINISTRATION)**

DETAILS OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS

General Description	Includes
Statutory and General Administration	
Statutory/Advertising	Filing of documents to meet statutory requirements; Quarterly VAT returns; Advertising in accordance with statutory requirements; and Bonding the case for the value of the assets.
Document Maintenance/File Review/Checklist	Filing of documents; Periodic file reviews documenting strategy; Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards; Maintenance of statutory and case progression task lists/diaries; and Updating checklists.
Bank Account Administration	Preparing correspondence opening and closing accounts; Requesting bank statements; Bank account reconciliations; Correspondence with bank regarding specific transfers; Maintenance of the estate cash book; and Banking remittances and issuing cheques payments.
Planning/Review	Discussions regarding strategies to be pursued; and Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case.
Books and Records/Storage	Dealing with records in storage; and Sending case files to storage.
Pension Scheme	Identifying whether there is a pension scheme.
Reports	Circulating initial report to creditors upon appointment; Preparing first and second 6-month progress report, investigation, meeting and general reports to creditors; and Disclosure of sales to connected parties.
Meeting of Creditors	Preparation of meeting notices, proxies/voting forms and advertisements notice of meeting to all known creditors; Collate and examine proofs and proxies/votes to decide on resolutions; Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting; Responding to queries and questions following meeting; and Issuing notice of result of meeting.
Extension of Administration	Liaising with Solicitors and secured creditors regarding any potential objections to the extension of the administration; Notifying creditors of extension to the administration and sending deemed consent request; Notifying creditors of outcome of deemed consent proceedings; Notifying Companies House and relevant parties of the outcome of deemed consent proceedings and extension to the administration;
Investigations	
SIP 2 Review	Collection and making an inventory of Company books and records; Correspondence to request information on the Company's dealings, making further enquiries of third parties; Reviewing questionnaires submitted by creditors and directors; Reconstruction of financial affairs of the Company; Identifying potential transactions at undervalue;

General Description	Includes
	<p>Liaising with Solicitors and purported secured creditor regarding the potential transactions at undervalue; Identifying pre-appointment property disposals; Reviewing Company's books and records; Preparation of deficiency statement; and Review of specific transactions and liaising with directors regarding certain transactions (specifically EB Centres Limited).</p>
Statutory reporting on conduct of director(s)	<p>Liaising with Insolvency service; Preparing statutory investigation reports; Liaising with Insolvency Service; Submission of report with the Insolvency Service;</p>
Realisation of Assets	
Fixtures & Fittings	<p>Liaising with agents; Reviewing asset listing; and Discussing potential disposal strategy.</p>
Freehold/Leasehold Property	<p>Liaising with agents on marketing strategy and offers received; Dealing with tenant issues; Liaising with potential secured creditors; Dealing with insurance matters, including water damage and break-in; Dealing with complex VAT position; Dealing with potential Transaction at an Undervalue implications; and Dealing with links to related companies; Completed sale of Caroline House and Prospect House; Liaising with solicitors and agents regarding mitigation of the loss on sale of Prospect House.</p>
Other Assets	<p>Liaising with professional advisors regarding potential refunds for Non-domestic rates and utilities; Recovering cash at bank and obtaining statements for investigation purposes; Liaising with director, former accountant, solicitors and Companies House in respect of EB Centres Limited; and Formally requesting payment of outstanding debt from EB Centres Limited</p>
Insurance	<p>Identification of potential issues requiring attention of insurance specialists; Correspondence with insurer regarding initial and ongoing insurance requirements; Complying with insurers requirements for regular site visits until sale of Caroline House and Prospect House were completed; Reviewing insurance policies; and Correspondence with previous brokers.</p>
Trading	
Management of Operations	<p>Liaising with suppliers to secure supplies and credit terms; Establishing new accounts with utility providers; Ensuring security of premises; Liaising with tenants regarding ongoing occupation etc.; Liaising with managing agent; Preparing and authorising receipt vouchers; Preparing and authorising payment vouchers; Raising rent and service charge invoices; Liaising with relevant Councils regarding Administration exemptions; Collection of outstanding rents and service charge invoices; Dealing with building repairs etc; and Chasing various suppliers for outstanding invoices.</p>
Accounting For Trading	<p>Reviewing Company's budgets and financial statements; Preparing budgets; Preparing weekly financial reports and managing cashflow; Trading strategy review; and VAT returns.</p>

APPENDIX IV

General Description	Includes
Creditors and Distributions	
Creditor Communication	Receive and follow up creditor enquiries via telephone; Liaising with Solicitors regarding Hutchinson claim; Liaising with Solicitors regards Alpha Companies claim; Request further information from claimants regarding POD; and Review and prepare correspondence to creditors and their representatives via facsimile, email and post; and Liaising with Solicitors regarding Court hearing and necessary preparation for the hearing; and Liaising with Solicitors regarding result of Court Hearing.
Dealing with Proofs of Debt ('POD')	Receipting and filing POD's.
Processing POD's	Preparation of correspondence to potential creditors inviting submission of POD's; and Receipt of POD.
HMRC	Liaising with HMRC in relation to complex VAT position for Caroline House.
Other Potential Creditors	Assessing Potential Transactions at an Undervalue for transfer of Caroline House and Prospect House from connected company TPS.

**ABC Prop Co Holdings Limited
(IN ADMINISTRATION)**

PROOF OF DEBT - GENERAL FORM

ABC Prop Co Holdings Limited (in Administration)

Date of Administration: 11 November 2016

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> For UK companies: its registered number For other companies: the country or territory in which it is incorporated and the number if any under which it is registered The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category Amount(s) claimed as preferential £
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO