

# Administrator's progress report

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company

Hymore Limited

Company number

SC271129

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

I / We

(a) Colin Peter Dempster and Thomas Merchant Burton

of Ernst & Young LLP, Ten George Street, Edinburgh, EH2 2DZ

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

from

To

(b) Insert date

(b)

12 June 2011

(b)

11 December 2011

Signed

  
Joint / Administrator(s)

Dated

13.1.12

## 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

Natalie Bretherick

Ernst & Young LLP, Ten George Street, Edinburgh, EH2 2DZ

Tel: 0131 777 2030

DX Number:

DX Exchange:

MONDAY



\*S10MR84H\*

SCT

16/01/2012

#597

COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, 139 Fountainbridge, Edinburgh, EH3 9FF

DX 235 Edinburgh / LP 4 Edinburgh-2

TO ALL KNOWN CREDITORS

13 January 2012

Ref: C PD/GWW/NB/PF16.1  
Direct line: 0131 777 2030  
Direct Fax: 0131 777 2213  
Natalie Bretherick  
email: gwilson1@uk.ey.com

Dear Sirs

**Hymore Limited (In Administration) ("the Company")**

**Registered office address: Ernst & Young LLP, Ten George Street, Edinburgh, EH2 2DZ**

I write, in accordance with Rule 2.38 of the Insolvency (Scotland) Rules 1986, to provide creditors with a report on the progress of the administration. This report covers the period from 12 June 2011 to 11 December 2011 and should be read in conjunction with the Joint Administrators' Statement of Proposals dated 3 February 2009 and the previous progress reports to creditors dated 21 July 2009, 18 November 2009, 16 July 2010, 16 December 2010 and 4 July 2011.

Hymore Limited, registered number SC271129, entered administration on 12 December 2008 and C P Dempster and T M Burton ("the Administrators") were appointed to act as Administrators. The appointment was made by Bank of Scotland Plc under the provisions of paragraph 14 of Schedule B1 to the Insolvency Act 1986, and lodged in the Court of Session, Edinburgh. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by either of them.

**Summary of progress**

As set out in our last report, we have now sold all 17 of the properties at Crewkerne and the Company's property at Tonedale Mill. These sales generated total gross realisations of c£2.46m.

As previously advised it is clear that net sales proceeds will be significantly below the level of debt due to the secured lender.

Following the sale of the Company's properties, we are now in the process of finalising the Company's corporation tax position with HM Revenue & Customs.

**Remaining assets**

The Directors' Statement of Affairs showed pre-appointment debtors of c£220k. These debts are being disputed and any recoveries are now unlikely.



The only remaining asset to realise is the Freehold Reversion at Crewkerne and we are hopeful that a sale of this reversion will be complete in the next 3-4 months.

#### **Extensions to the initial period of appointment**

There remain a number of outstanding issues to be resolved in the administration and following a petition by the Administrators, on 06 December 2011 the Court extended the administration to 12 December 2012.

#### **Receipts and payments account**

I enclose a receipts and payments account for the period 12 June 2011 to 11 December 2011.

You will note from the Account that certain costs incurred to date have been met via an intercompany control account. To date, twenty-nine companies within the Highmore Homes Group have entered administration. The Bank of Scotland plc have agreed that rather than provide funding to each individual company, the various administrations would be funded by a Group overdraft facility in Highmore Residential Limited (In Administration) ("Residential"). Accordingly, all costs are accounted for in each company but funded via the intercompany control account with Residential.

Certain costs have been incurred by Residential on behalf of the other Group companies, and these will be recharged accordingly.

#### **Joint Administrators' remuneration and disbursements**

Based on the latest estimated realisations from the Company's assets, the Administrators believe that there will be no funds available to ordinary unsecured creditors. Accordingly, in terms Rule 2.39(3)(b)(i) of the Insolvency (Scotland) Rules 1986 the Administrators' remuneration shall be agreed by the Secured Creditors.

Details of time spent and charge out rates will be provided to the secured creditor and will be made available to any other creditor upon written request to the Joint Administrators. To date, £189,798 of fees have been taken in this case.

The statutory provisions relating to remuneration are set out in Rule 2.39 of the Insolvency (Scotland) Rules 1986. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors Guide to Administrators Fees' a copy of which may be accessed from the website of the Insolvency Practitioners Association at <http://www.insolvency-practitioners.org.uk> (follow 'Regulation and Guidance' then 'Creditors' Guides to Fees'), or is available in hard copy upon written request to the Joint Administrators.

### **Secured creditors**

The Bank of Scotland plc, the Company's principal secured lender, had indebtedness at 12 December 2008 of £13,241,313. The lending is secured over the Company's property assets.

Following the sale of a number of the Company's properties at Crewkerne, an initial distribution of £500,000 was paid to the secured creditor.

### **Preferential creditors**

As the Company had no employees we do not expect there to be any preferential creditors.

### **Non-preferential creditors**

It is estimated that total non-preferential claims will be in the region of £3,822,584.

### **The prescribed part**

The prescribed part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Insolvency Act 1986. The prescribed part applies to floating charges created on or after 15 September 2003.

The Bank of Scotland plc hold floating charges created on 30 October 2006 and 11 March 2005.

The Administrators currently estimate, to the best of their knowledge and belief, that

- ▶ the value of the Company's net property is Nil and
- ▶ the value of the prescribed part is £Nil

The Joint Administrators do not intend to make an application to the Court under section 176A(5) of the Insolvency Act 1986 for an order not to distribute the prescribed part as they do not believe that there will be funds available to the floating charge creditor.

**Distributions to creditors**

We are of the opinion that there will be insufficient property to enable a distribution to ordinary unsecured creditors.

I will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner.

Yours faithfully  
for Hymore Limited



C P Dempster  
Joint Administrator

Enc: Joint Administrators' Receipts and Payments Account

The Institute of Chartered Accountants of Scotland in the UK authorises CP Dempster and TM Burton to act as Insolvency Practitioners under section 390(2)(a) of the Insolvency Act 1986.

The affairs, business and property of the Company are being managed by the Joint Administrators, CP Dempster and TM Burton, who act as agents of the Company only and without personal liability.

We may collect, use, transfer, store or otherwise process (collectively, "Process") information that can be linked to specific individuals ("Personal Data"). We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act 1998.

## Hymore Limited (In Administration)

***Joint Administrators' Abstract of Receipts and Payments  
from 12 June 2011 to 11 December 2011***

<b>Receipts</b>	<b>£</b>
Brought forward	2,610,596.07
Pre-appointment debtors	248.00
Bank interest received	1,009.99
Electricity Refund	7.20
<b>Total</b>	<b><u>2,611,861.26</u></b>

<b>Payments</b>	
Brought forward	(1,599,974.95)
Water rates	(352.31)
Insurance	(23,000.31)
Professional fees	(6,756.50)
Sundry expenses	(196.47)
Legal fees	(17,165.71)
<b>Total</b>	<b><u>(1,647,446.25)</u></b>

**964,415.01**

<b>Represented by</b>	
Vat control account	332.78
I/B current account	1,416,799.68
Intercompany account	(452,717.45)
	<b><u>964,415.01</u></b>