



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

1 Company details

Company number

Company name in full

→ **Filling in this form**

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)

Surname

3 Administrator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

4 Administrator's name ①

Full forename(s)

Surname

① **Other administrator**

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

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	d	m	m	y	y	y	y
To date	d	d	m	m	y	y	y	y

7 Progress report

I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	d	m	m	y	y	y	y
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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

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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

TO ALL KNOWN CREDITORS

17 June 2021

Ref: RHK/CGJK/TH/BL/SA/D16.4

Direct line: 0113 298 2224

Email: BLeach@parthenon.ey.com

Dear Sirs

York House Construction Limited (In Administration) (“the Company”)
High Court of Justice, Chancery Division, Leeds District Registry – 1862 of 2008

I write, in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016, to provide creditors with a report on the progress of the administration.

This report covers the period from 26 November 2020 to 25 May 2021 and should be read in conjunction with our previous reports and the Joint Administrators’ proposals. Statutory information about the Company, the Administration and the office holders is detailed at Appendix 1.

Summary of progress since last report dated 15 December 2020

Debtors litigation

As advised, we had previously been notified by the liquidator of one of the Company’s debtors (“the Insolvent Debtor”) of ongoing litigation which they were pursuing and which we understood could result in realisations being earned by the Insolvent Debtor that would enable a distribution to the Company.

During the period of this report, we have been informed by the liquidator of the Insolvent Debtor that a settlement has now been reached between the Insolvent Debtor and the party which they were pursuing. Consequently, it is expected that there will be a distribution from the Insolvent debtor to its creditors including the Company.

We understand that the settlement is to be received by the Insolvent Debtor in three instalments, with the final instalment due no later than May 2022. As such, it is expected that funds are likely to be received by the Company from the Insolvent Debtor’s subsequent distribution during the second half of 2022.

We have been in contact with the Insolvent Debtor regarding the likely quantum of the distribution to the Company and understand that they are currently undertaking an exercise to finalise the costs associated with the litigation, which will enable them to confirm this amount.

The liquidator of the Insolvent Debtor is continuing to progress this matter and we shall provide further updates in this regard at the time of our next progress report.

Adjudication of unsecured creditor claims

We are continuing to invite and adjudicate non-preferential creditor claims. We therefore invite those creditors who wish to make an unsecured claim against the Company, to complete and return a Proof of

Debt form (which is available on the Company's website: https://www.ey.com/en_uk/ey-york-house-construction-administration) and provide us with the relevant supporting documentation, marked for the attention of Ben Leach to the address at the top of this letter.

We encourage creditors to submit their claims as soon as possible.

Extension of administration

As noted in the previous progress report, the Administration of the Company was due to end on 25 November 2019. However, pursuant to paragraph 76 of Schedule B1 of the Insolvency Act 1986, the Administration has now been extended to 25 November 2021, by order of the court. The two year extension was specifically for the purpose of accommodating the potential for further material debtor realisations as set out above.

Given that we now expect this debtor realisation to materialise, but after 25 November 2021, we will seek a further extension of the Administration by order of the court beyond 25 November 2021.

Receipts and payments account

A summary of our receipts and payments for the period from 26 November 2020 to 25 May 2021 is attached at Appendix 2. It does not reflect estimated future realisations or costs.

Investigations

During the period of this report, no further investigations have been conducted and there are no updates to those matters previously reported.

Joint administrators' remuneration

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016. 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 web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to me. Please note that the references in the Guide to fee estimates do not apply to administrations, such as this one, which started before 1 October 2015.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

Our remuneration was fixed on a time-cost basis by a resolution of the creditors passed on 4 February 2009.

During the period covered by this report, the Administrators have incurred time costs totalling £12,777 plus VAT. The time costs incurred during the period and to date can be summarised as follows:

Company	Time costs incurred in the period (£)	Time costs incurred in prior periods (£)	Total time costs incurred (£)	Fees drawn (£)	Time costs outstanding (£)
York House Construction Limited	12,777	774,371	787,147	175,000	612,147

At Appendix 3 to this report there is a detailed analysis of the time spent.

Joint administrators' expenses

During the period covered by this report, we have incurred expenses totalling £52. There is a breakdown of the expenses incurred in this period and to date at Appendix 4 of this report.

Distributions to creditors

Secured creditors

At the date of our appointment the Bank's indebtedness totalled £1,383,000, including the potential exposure of c.£205,000 in respect of a guarantee bond on the Donisthorpe Hall contract. This amount is subject to accruing interest and charges.

Given the level of realisations to date it remains unlikely the Bank will be repaid in full. The Bank's ultimate recovery will be dependent upon:

- ▶ The extent of any payment in relation to the Bond; and
- ▶ The level of realisations generated from the Liquidation of the Company's subsidiary and guarantor company, YHC Developments Limited.

To date, we have distributed £1,175,000 to the Bank under its fixed and floating charges.

Preferential creditors

Preferential creditor claims of £190,583 have been paid in full.

Non-preferential creditors

To date we have received non-preferential, unsecured claims totalling c.£3.6m. This remains significantly below the £10.3m illustrated in the directors' statement of affairs.

At present there are insufficient funds available to allow a distribution to be made to non-preferential creditors other than by virtue of the Prescribed Part.

Remaining work

The Joint Administrators will continue to act in accordance with their proposals. This work will include inter alia:

- Dealing with statutory reporting and compliance issues;
- Dealing with corporation tax and VAT matters, including filing statutory returns;
- Liaising with the liquidator of the Insolvent Debtor;
- Make a final distribution to the secured creditor; and
- Adjudicating unsecured creditor claims and distributing the Prescribed Part to unsecured creditors
- Any other actions required to be undertaken by the Joint Administrators to fulfil the purpose of the Administration.

Next report

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

Yours faithfully
for the Company



C G J King
Joint Administrator

R H Kelly is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland and C G J King is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The affairs, business and property of the Company are being managed by the Joint Administrators, R H Kelly and C G J King, who act as agents of the Company only and without personal liability

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrator. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

Appendix 1

Information about the proceedings, the Company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice, Chancery Division, Leeds District Registry
Court reference:	1862 of 2008
Registered name of the Company:	York House Construction Limited (in Administration)
Registered office address of the Company:	c/o Ernst & Young LLP 1 Bridgewater Place Water Lane Leeds LS11 50R
Registered number:	03359049
Date of appointment of the joint administrators:	26 November 2008
Details of any changes of administrator:	None
Full names of the administrators:	R H Kelly and C G J King
Office holder number(s):	8582 and 8985
Administrators' address(es):	Ernst & Young LLP 1 Bridgewater Place Water Lane Leeds LS11 50R
Telephone number:	0113 298 2224
Name of alternative person to contact with enquiries about the case:	Ben Leach

Appendix 2

York House Construction Limited (in Administration)

Joint Administrators' Summary of Receipts and Payments from 26 November 2020 to 25 May 2021

<i>Estimated to realise as per Statement of Affairs</i>	<i>Period to 25 November 2020</i>	<i>Period from 26 November 2020 to 25 May 2021</i>	<i>Total</i>
£	£	£	
Receipts			
700,000	Property	534,660	-
261,422	Book Debts	11,987	-
337,430	Plant & machinery	353,243	-
4,542,935	Contract novations & final account settlements	1,249,237	-
80,000	Return of pre appointment duplicate payment	104,694	-
-	Rental income	23,175	-
-	Cash at date of appointment	165	-
-	Bank Interest	39,588	62
5,921,787		2,316,750	62
			2,316,813
Payments			
	Wages & salaries	20,726	(100)
	Bank charges	343	-
	Consultancy fees	94,521	-
	Rent	39,988	-
	Agents fees	107,277	-
	Legal fees	223,003	152
	Administrators Fees	175,000	-
	Administrators Disbursements	29,771	-
	ATE insurance costs	15,862	-
	Insurance	6,828	-
	Retention of title settlements	4,000	-
	Stationery and postage	6,401	-
	Utilities	1,564	-
	Mileage charges	345	-
	Storage charges	8,372	-
	Specific bond and public notices	1,811	-
	Sundry expenses	25	-
	Property expenses	775	-
	Corporation Tax	5,979	-
		742,590	52
			742,642
	Net Realisations	1,574,160	10
			1,574,171
	<i>Distributions</i>		
	Preferential creditors	190,583	-
	Secured creditor - National Westminster Bank Plc	1,175,000	-
		1,365,583	-
			1,365,583
	<i>Funds in hand</i>		
	Cash at Bank	207,681	10
	Net VAT receivable	896	-
		208,577	10
			208,587

Notes

1. Receipts and payments are stated net of VAT.
2. All funds were held in interest bearing accounts during the period.
3. There has been a reclassification of income and costs in the period between Bank Interest, Wages and salaries and Legal fees.

Appendix 3

York House Construction Limited (in Administration)

Summary of Joint administrators' time-cost from 26 November 2020 to 25 May 2021

	Staff Grade						Total Hours	Time Cost (£)	Average Hourly Rate (£)
	Partner	Director	Senior Manager	Senior Executive	Executive	Analyst			
Bank & Statutory Reporting	-	1.0	-	-	1.0	5.0	7.0	2,020	289
Creditors	-	-	2.0	-	-	-	2.0	1,360	680
Debtors	-	-	4.0	-	-	-	4.0	2,720	680
General	0.3	-	-	-	0.2	1.0	1.5	588	392
Legal Issues	-	-	1.5	-	-	-	1.5	1,020	680
Statutory Duties	-	-	-	-	0.5	-	0.5	80	160
VAT & Taxation	-	-	-	-	5.9	13.5	19.4	4,989	257
Total Hours	0.3	1.0	7.5	-	7.6	19.5	35.9		
Time Costs (£)	303	905	5,100	-	2,450	4,019		12,777	
Average Hourly Rate (£)	1,010	905	680	-	322	206			

Summary of Joint administrators' time-cost from 26 May 2008 to 25 May 2021

	Staff Grade						Total Hours	Time Cost (£)	Average Hourly Rate (£)
	Partner	Director	Senior Manager	Manager	Executive	Analyst			
Accounting & Administration	-	4.5	0.7	31.6	73.3	236.0	346.1	62,666	181
Bank & Statutory Reporting	1.0	64.8	40.8	48.3	131.9	136.0	422.8	119,443	283
Creditors	1.0	10.0	39.2	2.7	231.5	387.9	672.3	136,358	203
Creditors (Mandatory)	-	-	-	-	-	1.0	1.0	270	270
Debtors	1.0	107.7	231.7	28.0	153.0	66.7	588.1	192,418	327
Employee Matters	-	4.7	-	3.0	87.5	38.0	133.2	26,189	197
General	10.4	14.5	7.4	3.1	15.6	50.1	101.1	25,498	252
Immediate Tasks	-	4.5	-	-	-	45.4	49.9	6,689	134
Investigation & CDDA	4.0	5.3	1.9	-	50.1	13.0	74.3	16,372	220
Legal Issues	-	17.7	1.5	23.5	24.0	-	66.7	25,195	378
Other Assets	-	2.0	4.0	1.3	7.5	29.0	43.8	8,981	205
Other Matters	-	1.0	8.6	30.5	36.8	38.0	114.9	29,225	254
Property	-	5.5	3.3	4.0	4.6	46.0	63.4	11,353	179
Retention of Title	-	6.9	1.6	-	8.1	54.3	70.9	11,368	160
Statutory Duties	-	5.3	11.6	31.5	62.0	50.8	161.2	40,951	254
VAT & Taxation	0.4	3.9	18.6	16.4	101.4	132.3	273.0	71,129	261
Prescribed Part	-	-	-	-	-	14.5	14.5	3,045	210
Total Hours	17.8	258.3	370.9	223.9	987.3	1,339.0	3,197.2		
Time Costs (£)	10,084	128,783	149,272	89,604	223,855	185,551		787,147	
Average Hourly Rate (£)	567	499	402	400	227	139		246	

Appendix 4

York House Construction Limited (in Administration)

Summary of joint administrators' expenses incurred

	Paid as at 25 November 2020	Paid in Period	Outstanding	Total to 25 May 2021
<u>Payments made from the estate which are not disbursements (see note 1 and 2 at the end of this table)</u>				
Wages & salaries	20,726	(100)	-	20,626
Bank charges	343	-	-	343
Consultancy fees	94,521	-	-	94,521
Rent	39,988	-	-	39,988
Agents fees	107,277	-	-	107,277
Legal fees	223,003	152	-	223,155
Administrators Fees	175,000	-	-	175,000
Administrators Disbursements	29,771	-	-	29,771
ATE insurance costs	15,862	-	-	15,862
Insurance	6,828	-	-	6,828
Retention of title settlements	4,000	-	-	4,000
Stationery and postage	6,401	-	-	6,401
Utilities	1,564	-	-	1,564
Mileage charges	345	-	-	345
Storage charges	8,372	-	-	8,372
Specific bond and public notices	1,811	-	-	1,811
Sundry expenses	25	-	-	25
Property expenses	775	-	-	775
Corporation Tax	5,979	-	-	5,979
Total	742,590	52	-	742,642
<u>Category 1 disbursements</u>				
Postage	17,150	-	-	17,150
Photocopying	11,356	-	-	11,356
Courier	169	-	-	169
Sustenance	94	-	-	94
Taxi Fares	58	-	-	58
<u>Category 2 disbursements</u>				
Mileage	1,931	-	-	1,931
Total	30,758	-	-	30,758

Notes

- Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
 - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder
 - Category 2 expenses are payments to associates or which have an element of shared costs.