

TO ALL KNOWN CREDITORS

19 December 2018

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

Direct line: 0113 298 2224
Direct fax: 0113 298 2206

email: bleach@uk.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 May 2018 to 25 November 2018 and should be read in conjunction with our previous progress reports. Statutory information about the Company, the Administration and the office holders is given at Appendix 1.

Summary of progress since last report

Following discussions with the Secured Creditor and professional advisors we have now agreed and settled the expenses of the Administration and therefore we are now in a position to commence the process of eliciting and adjudicating the claims of the non-preferential creditors of the Company.

Extension of administration

As you may be aware, the administration of the Company was due to end on 24 November 2018.

Pursuant to paragraph 76 of Schedule B1 to the Insolvency Act 1986, the administration has now been extended to 25 November 2019, by order of the court in order to facilitate the distribution of the Prescribed Part and to complete the various statutory matters in order to bring the Administration to conclusion.

Receipts and payments account

A summary of our receipts and payments for the period from 26 May 2018 to 25 November 2018 is attached at Appendix 2. Please note it does not reflect estimated future realisations or costs.

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, we have charged remuneration of £19,933. Of this sum, £nil has been paid.

At Appendix 3 to this report there is an analysis and narrative explanation of the time spent.

Joint administrators' expenses

During the period covered by this report, we have incurred expenses totalling £20.73 plus VAT. There is a breakdown of 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 is unlikely the Bank will be repaid in full. The level of any payment in relation to the Bond will also impact the level of the Bank's shortfall.

The Bank's recovery will also be impacted by the level of realisations generated from the Liquidation of the Company's subsidiary and guarantor company, YHC Developments Limited.

To date, we have distributed £1,000,000 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 £3.6m. This remains significantly below the £10.3m illustrated in the directors' statement of affairs.

Please note that there will be 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;
- Making distributions to the secured creditor; and
- Adjudicating unsecured creditor claims and distributing the Prescribed Part to unsecured creditors.

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 General Data Protection Regulation 2016/679, 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 Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrator's 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 5QR
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 5QR
Telephone number:	0113 298 2224
Name of alternative person to contact with enquiries about the case:	Ben Leach

York House Construction Limited (in Administration)

Joint Administrators' Summary of Receipts and Payments from 26 May 2018 to 25 November 2018

YORK HOUSE CONSTRUCTION LIMITED (IN ADMINISTRATION)

<i>Estimated to realise as per</i>		<i>Period from 26</i>		
<i>Statement of Affairs</i>		<i>Period to</i>	<i>May 2018</i>	<i>Total</i>
£		25 May 2018	25 November 2018	
		£	£	
Receipts				
700,000	Property	534,660	-	534,660
261,422	Book Debts	11,987	-	11,987
337,430	Plant & machinery	353,243	-	353,243
4,542,935	Contract novations & final account settlements	1,249,237	-	1,249,237
80,000	Return of pre appointment duplicate payment	104,694	-	104,694
-	Rental income	23,175	-	23,175
-	Cash at date of appointment	165	-	165
-	Bank Interest	37,990	421	38,411
5,921,787		2,315,153	421	2,315,573
Payments				
	Wages & salaries	20,726	-	20,726
	Bank charges	340	2	342
	Consultancy fees	94,521	-	94,521
	Rent	39,988	-	39,988
	Agents fees	107,277	-	107,277
	Legal fees	171,591	41,414	213,004
	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
		691,174	41,416	732,590
	Net Realisations	1,900,931		1,582,984
Distributions				
	Preferential creditors	190,583	-	190,583
	Secured creditor - National Westminster Bank Plc	1,000,000	-	1,000,000
		1,190,583	-	1,190,583
Funds in hand				
	Cash at Bank	377,691	(49,268)	328,423
	Net VAT receivable	55,705	8,273	63,978
		433,395	(40,995)	392,401

Notes

1. Receipts and payments are stated net of VAT.

York House Construction Limited (in Administration)

Summary of Joint Administrators' time-Costs from 26 May 2018 to 25 November 2018

	Partner / Director	Assistant Director	Senior Executive	Executive	Analyst	Total hours for the period	Total time cost for the period (£)	Average hourly rate for the period (£)	Cumulative time cost to date (£)
Accounting & Administration (0013)	-	-	-	12.2	-	12.2	3,803	312	50,109
Bank & Statutory Reporting (0003)	2.5	-	-	-	-	2.5	1,825	730	99,473
Category 1 Expenses (EXP1)	-	-	-	-	-	-	-	-	-
Category 2 Expenses (mileage) (EXP2)	-	-	-	-	-	-	-	-	-
Creditors (0009)	3.0	-	-	-	34.0	37.0	6,270	169	94,927
Debtors (0005)	-	-	-	-	-	-	-	-	177,203
Employee Matters (0012)	-	-	-	9.5	-	9.5	2,945	310	24,786
General (0000)	-	-	-	4.1	-	4.1	1,893	462	22,672
Immediate Tasks (0002)	-	-	-	-	-	-	-	-	6,689
Investigations & CDDA (0011)	-	-	-	-	-	-	-	-	16,372
Legal Issues (0019)	-	-	-	-	-	-	-	-	23,370
Other Assets (0006)	-	-	-	-	-	-	-	-	6,401
Other Matters (0018)	-	-	-	-	-	-	-	-	26,785
Property (0004)	-	-	-	-	-	-	-	-	11,353
Retention of Title (0008)	-	-	-	-	-	-	-	-	11,368
Statutory Duties (0016)	-	-	5.0	-	-	5.0	2,150	430	36,951
VAT & Taxation (0017)	0.4	-	-	0.1	2.5	3.0	1,047	349	60,545
Total hours for the period	5.9	-	5.0	25.9	36.5	73.3			
Total time cost for the period (£)	4,445	-	2,150	8,686	4,652		19,933		
Average hourly rate for the period (£)	753.39		430.00	335.38	127.45			272	
Cumulative time cost to date (£)	127,348	125,192	70,374	209,240	136,848				669,001

York House Construction Limited (in Administration)

Summary of joint administrators' expenses incurred

Type of Expense	Paid as at 25 May 2018	Paid in Period	Outstanding	Total
Category 1 disbursements				
Postage	16,183.70	-	-	16,183.70
Photocopying	11,355.70	-	-	11,355.70
Courier	148.02	20.73	20.73	168.75
Sustenance	94.20	-	-	94.20
Taxi Fares	58.31	-	-	58.31
Category 2 disbursements				
Mileage	1,931.14	-	-	1,931.14
Totals	29,771.07	20.73	20.73	29,791.80

Notes

- 1 SIP 9 defines disbursements as a type of expense which is met by, and reimbursed to, an office holder in connection with an insolvency appointment. Disbursements fall into two categories: Category 1 and Category 2.
 - Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment
 - Category 2 disbursements are expenses which are directly referable to the appointment but not a payment to an independent third party. They may include shared and allocated costs.



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

1 Company details

Company number 0 3 3 5 9 0 4 9

Company name in full York House Construction Limited (In Administration)

→ **Filling in this form**

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Robert Hunter

Surname Kelly

3 Administrator's address

Building name/number c/o Ernst & Young LLP

Street 1 Bridgewater Place

Water Lane

Post town Leeds

County/Region West Yorkshire

Postcode L S 1 1 5 Q R

Country United Kingdom

4 Administrator's name ①

Full forename(s) Charles Graham John

Surname King

① **Other administrator**

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number c/o Ernst & Young LLP

Street 1 Bridgewater Place

Water Lane

Post town Leeds

County/Region West Yorkshire

Postcode L S 1 1 5 Q R

Country United Kingdom

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 2	^d 6	^m 0	^m 5	^y 2	^y 0	^y 1	^y 8
To date	^d 2	^d 5	^m 1	^m 1	^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 2	^d 0	^m 1	^m 2	^y 2	^y 0	^y 1	^y 8
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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 **Ben Leach**

Company name **Ensrt & Young LLP**

Address **1 Bridgewater Place**

Water Lane

Post town **Leeds**

County/Region **West Yorkshire**

Postcode

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Country **United Kingdom**

DX

Telephone **0113 298 2224**



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