

# AM10

## Notice of administrator's progress report

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COMPANIES HOUSE

### 1 Company details

Company number 0 5 7 6 5 6 2 8

Company name in full Sutherland House Securities Limited

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Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Anne Clare

Surname O'Keefe

### 3 Administrator's address

Building name/number AlixPartners, The Zenith Building

Street 26 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 A B

Country United Kingdom

### 4 Administrator's name ①

Full forename(s) Simon

Surname Wilson

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

### 5 Administrator's address ②

Building name/number The Zenith Building

Street 26 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 A B

Country United Kingdom

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	0	d	9	m	0	m	7	y	2	y	0	y	1	y	7
To date	d	0	d	8	m	0	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

*Al Keefe*

X

Signature date	d	0	d	1	m	0	m	2	y	2	y	0	y	1	y	8
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# Administrators' Progress Report for the period 9 July 2017 to 8 January 2018

Sutherland House Securities Limited  
and Greenvale Estates Limited  
Both in Administration

1 February 2018

## Contents

1. Why this report has been prepared .....	1
2. Summary of information for creditors .....	2
3. Progress of the Administrations .....	3
4. Estimated outcome for creditors .....	7
5. What happens next .....	8

## Appendices

Appendix A.	Statutory information
Appendix B.	Receipts and Payments Accounts for the period 9 July 2017 to 8 January 2018 and Cumulative Accounts for the period since appointment
Appendix C.	Administrators' fees
Appendix D.	Administrators' expenses and disbursements
Appendix E.	Additional information in relation to the Administrators' fees
Appendix F.	Exit routes and discharge from liability

## **1. Why this report has been prepared**

- 1.1 As you will be aware Anne O'Keefe and Simon Wilson (the **Administrators**) were appointed on 18 September 2012.
- 1.2 In accordance with UK insolvency legislation, an administrator is required to provide a progress report covering the period of six months commencing on the date on which a company entered into administration and every subsequent period of six months. This progress report covers the period 9 July 2017 to 8 January 2018 (the **Period**) and should be read in conjunction with all previous reports.
- 1.3 This report has been prepared in accordance with rule 18.2 of the Insolvency (England and Wales) Rules 2016.
- 1.4 The purpose of this report is to provide statutory and financial information about the Companies and to provide an update on the progress of the Administrations, including details of assets realised during the Period, details regarding the Administrators' fees and the expected outcome for each class of creditor.
- 1.5 As a reminder the administrator of a company must perform their functions with a view to achieving one of the following statutory objectives:
  - Objective 1: rescuing the company as a going concern;
  - Objective 2: achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration); or
  - Objective 3: realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.6 In these cases the Administrators are pursuing the third statutory objective. Further details on the actions taken to achieve those objectives can be found in section 3 of this report.
- 1.7 Details of the Administrators' fees and disbursements incurred are provided at Appendices C to E.
- 1.8 More information relating to the Administration process, Administrators' fees and creditors' rights can be found on AlixPartners' creditor portal (<http://www.alixpartnersinfoportal.com>). Log-in details to access this information can be found within the covering letter you have received.
- 1.9 If you require a hard copy of this report or have any queries in relation to its contents or the Administrations generally, please contact Paul Butterfield on 0161 838 4539, by email at [creditorreports@alixpartners.com](mailto:creditorreports@alixpartners.com), or write to AlixPartners' office at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.

## 2. Summary of information for creditors

### Estimated dividend for creditors

Description	Estimated debt £	Likely level of return £ or pence/£
Secured creditor	23.13 million	11.4 million
Unsecured creditors:		
Sutherland	90,890	28 pence in the pound
Greenvale	90,890	23 pence in the pound

### Notes:

#### Secured creditor

As a reminder, on 30 January 2015, Nationwide Building Society Plc (**Nationwide**) completed a sale of its debt to Promontoria (Carlisle) Limited (**Promontoria**). As a result of this sale, Promontoria purchased all rights, benefits, and entitlements under Nationwide's fixed and floating charge securities. Please note that Promontoria also holds cross-guarantees from the Companies which are secured against the assets of other group companies, including Grove Estates Limited and Tropical Estates Limited (together the **Group**).

Based on the current information, it is anticipated that the Companies will distribute approximately £11.4 million to Promontoria. The final outcome will be determined once all outstanding costs are finalised.

#### Unsecured creditors

First and final dividends of 28 pence in the pound and 23 pence in the pound were issued on 11 April 2017 from the Administrations of Sutherland and Greenvale, respectively.

In respect of unsecured creditors, UK insolvency legislation stipulates that creditors of the same class should be treated equally. Hence the funds available for distribution were split on a pro-rata basis amongst all creditors of each class, regardless of the size of their claims.

Further information is provided in section 4 of this report.

### 3. Progress of the Administrations

- 3.1 Attached at Appendix B are the Administrators' Receipts and Payments Accounts for the Period, together with Cumulative Accounts for the period since the appointments. Costs incurred but not yet paid are provided at Appendix D.
- 3.2 As previously reported, Sutherland and Greenvale are property holding companies which jointly held the properties located at Sutherland House, Matlock Road, Coventry, CV1 4JQ (**Sutherland House**) and Caton Road Business Park, Lancaster, LA2 3RA (**Caton Road**) (together the **Properties**).
- 3.3 Please note for reporting purposes that all receipts and payments relating to Sutherland House are recorded in Sutherland only and all receipts and payments relating to Caton Road are recorded in Greenvale only. As the Properties are fixed charge assets and the debts of the Companies have been cross-guaranteed to the secured creditor, this has no impact on the returns available to any class of creditor.
- 3.4 The strategy to achieve the objectives of the Administrations is to maximise realisations from the sales of the Properties. In addition to their statutory objective, the Administrators have duties imposed by insolvency and other legislation and their regulating professional bodies. The Administrators have set out information in respect of the progress of these duties in addition to that of the realisation of assets and distribution of available funds below.

#### Greenvale

##### Sale of Caton Road

- 3.5 As previously reported, following a review of the disposal strategy with the secured creditor, Caton Road was remarketed for sale in April 2017. Following an extensive marketing campaign, several offers were received through July and August 2017, ranging from £4.85 million to £5.07 million. The offer of £5.07 million, received from M7 Real Estate Investment Partners III Propco Limited (the **Purchaser**), was formally accepted in August 2017 as it represented the highest offer received.
- 3.6 The subsequent sales process of Caton Road was long and complex as a result of several ongoing issues in relation to the property's condition, the quality of available information and the complexity of the site as a whole. As a result, the Administrators have incurred a significant amount of time in the Period to ensure all ongoing matters were resolved and secure completion of the sale.
- 3.7 Following a period of negotiation in respect of the terms, conditions and final purchase price, a sale of Caton Road completed to the Purchaser on 14 December 2017 for total consideration of £4.77 million. The reduction in the final purchase price was a result of the outlays the Purchaser will be required to make post sale completion to rectify the ongoing issues in relation to the property's condition. These costs were quantified as part of the Purchaser's due diligence process which was completed after the initial offer was made.

- 3.8 Prior to accepting the finalised price, the Administrators liaised with their agents who advised that this was the highest price achievable in the circumstances, as any alternative purchaser would be required to make the same deductions in respect of the outlays noted above. In addition, the Administrators obtained the approval of the secured creditor prior to accepting the finalised purchase price on the basis of the above considerations.
- 3.9 The sales consideration has been received in full and is detailed in the Administrators' Receipts and Payments Account at Appendix B.
- 3.10 Following completion of the sale, it has been necessary to undertake a reconciliation of the service charge account and take steps to finalise all outstanding property costs. The Administrators are working with their managing agents to complete this task and expect this to be finalised shortly, following which a final distribution of remaining funds will be made to the secured creditor.

#### Rent

- 3.11 During the Period, rent totalling £234,572 has been received, bringing total rental income to £3.65 million. The Administrators' managing agent advises that it is due to transfer additional rental income to Greenvale which totals approximately £70,000. As a result, the Administrators anticipate that rental income for the duration of the Administration will total approximately £3.72 million. The final level of rental income will be confirmed in the Administrators' final report.

#### Insurance recharges

- 3.12 Tenant insurance recharges received in the Period total £8,972. The final quantum of recharges to be received in the Administration will be confirmed in the Administrators' final report to creditors.

#### Insurance settlement

- 3.13 As previously reported, the majority of the industrial units were flooded in December 2015 and the costs of repairing the damage in this regard are covered under the Administrators' Insurance policy. During the Period, a further £18,300 was released by the insurer, bringing total receipts to £431,649. All monies due from the insurer have now been paid in full.
- 3.14 All costs in relation to the repair works have been settled. As these costs were covered under the insurance policy, this has no impact on the outcome to any class of creditor.

#### Citrus House refurbishment

- 3.15 As previously reported, following completion of the lease for Citrus House, refurbishment works were undertaken to upgrade the premises to a suitable specification. Under the terms of the lease, Greenvale as the landlord of the unit was required to contribute a maximum of £300,000 towards the capital expenditure.



- 3.16 In the Period, the completion certificate and final invoices were received by the Administrators. The final contribution due from the landlord totalled £228,910 which has been settled in full. No further sums are due in relation to the refurbishment works.

### **Sutherland**

- 3.17 As previously reported, the Administrators completed a sale of Sutherland House to Tuliptame Limited on 27 May 2016 for total consideration of £3.1 million.
- 3.18 As Sutherland held a joint interest in Caton Road with Greenvale, it was necessary to keep the Administration of Sutherland active until a sale of this property completed. Following the sale of Caton Road on 14 December 2017, the Administrators are in the process of finalising all statutory matters and outstanding costs. Once this process is completed, a final distribution of residual funds will be issued to the secured creditor and the Administration will be closed.

### **Nominal receipts**

- 3.19 Bank interest of £18 and £500 has been received in the Period by Sutherland and Greenvale, respectively.

### **Administration (including statutory reporting)**

- 3.20 In addition to their duties relating to realising and distributing the assets of the Companies, the Administrators must comply with certain statutory compliance matters in accordance with the Insolvency Act 1986, which includes preparing bi-annual reports to creditors advising of the progress of the Administrations. The Administrators are responsible for liaising with HMRC to determine the final position in respect of corporation tax, VAT and other taxes that may be owed by or to the Companies, and for filing tax returns for the duration of the Administrations.
- 3.21 In order to ensure the matters of the Administrations are being progressed sufficiently, the Administrators have a duty to conduct periodic case reviews and complete case checklists. In addition, the Administrators' treasury function will also comply with cash accounting requirements including raising payments, processing journal vouchers and posting receipts, preparing bank reconciliations and statutory returns.
- 3.22 The time taken for statutory tasks is largely fixed, insofar as the cost of preparing a report to creditors or filing an annual return is similar for most cases, except where cases are very large or complex. Where the costs of statutory compliance and reporting to creditors exceeds the initial estimate, it will generally be because the duration of the case has been longer than expected, due to for example protracted realisation of assets, and therefore additional periodic reports have had to be prepared and distributed to stakeholders.

### **Creditors (claims and distribution)**

- 3.23 Details of the estimated outcome for creditors can be found in section 4.

Sutherland House Securities Limited (**Sutherland**) and Greenvale Estates Limited (**Greenvale**)  
Both in Administration (together the **Companies**)

### *Secured creditor*

- 3.24 During the Period, the Administrators have continued to provide updates on asset realisations to the secured creditor, including the preparation of estimated outcome statements to understand the anticipated final outcome. The Administrators have also issued a further distribution from Greenvale following the sale of Caton Road.

## **4. Estimated outcome for creditors**

### **Secured creditor – Promontoria (Carlisle) Limited**

- 4.1 The Companies granted debentures to Nationwide over all of the Companies' property and assets on 28 June 2006. In addition, legal charges dated 28 June 2006 and 13 July 2006 were granted to Nationwide over Sutherland House and Caton Road, respectively. Rental income collected from the Properties was also assigned to Nationwide prior to the Administrators' appointment.
- 4.2 Nationwide held cross-guarantees from the Companies which are also secured against the assets of the Group. At the date of the appointments, the Group's indebtedness to Nationwide was approximately £23.13 million, on which interest and charges have continued to accrue.
- 4.3 Nationwide sold its debt to Promontoria on 30 January 2015. As a result of the sale, Promontoria purchased all rights, benefits and entitlements under Nationwide's fixed and floating charge securities.
- 4.4 In the Period, an initial distribution of £65,000 was issued to Promontoria from Greenvale. Following the sale of Caton Road, the Administrators issued an additional distribution of £4.5 million. The final level of return to Promontoria is dependent upon the quantum of outstanding costs, which are in the process of being finalised. Based on current information, Promontoria will suffer a shortfall.

### **Preferential creditors**

- 4.5 The Companies do not have any preferential creditors.

### **Unsecured Creditors' Fund**

- 4.6 Where there are floating charges which were created on or after 15 September 2003, the Administrators are required to create funds from the Companies' net property available for the benefit of unsecured creditors (**Unsecured Creditors' Funds**), commonly known as the 'Prescribed Parts'.
- 4.7 As previously reported, first and final dividends of 28 pence in the pound and 23 pence in the pound were issued on 11 April 2017 from Sutherland and Greenvale, respectively. No further funds will be available to distribute to the unsecured creditors of the Companies.

## **5. What happens next**

### **Creditors' rights**

- 5.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the agreement of at least 5% of the value of the unsecured creditors) may request in writing that the Administrators provide further information about their fees or expenses which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the agreement of at least 10% of the value of unsecured creditors) may, within eight weeks of receipt of this report, make an application to court on the grounds that the basis fixed for the Administrators' fees is inappropriate, or that the fees charged or the expenses incurred by the Administrators during the period of this report are excessive.

### **Next report**

- 5.3 The Administrators are required to provide a progress report within one month of the end of the next six months of the Administrations, or earlier if the Administrations have been finalised. As the Administrations are due to expire on 17 March 2018, the Administrators are working to finalise all outstanding matters and provide a final report ahead of the expiry date. For details of the proposed exit routes please see Appendix F.

For and on behalf of  
The Companies



**Anne O'Keefe**  
Administrator

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## Appendix A. Statutory information

### Company information

	Sutherland House Securities Limited	Greenvale Estates Limited
Registered number	05765628	05806430
Registered office	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB
Former registered office	Heaton House, 148 Bury Old Road, Salford, M7 4SE	Heaton House, 148 Bury Old Road, Salford, M7 4SE
Trading address	Heaton House, 148 Bury Old Road, Salford, M7 4SE	Heaton House, 148 Bury Old Road, Salford, M7 4SE
Trading name	Sutherland House	Greenvale
Court details	Royal Courts of Justice, Companies Court, London	Royal Courts of Justice, Companies Court, London
Court reference	7293 of 2012	7292 of 2012

### Appointor's information

Name	Address	Position
Nationwide Building Society Plc	Nationwide House, Pipers Way, Swindon, SN38 1NW	Floating chargeholder

### Administrators' information

Name	Address	IP number	Name of authorising body
Anne Clare O'Keefe	AlixPartners, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	008375	Insolvency Practitioners Association
Simon Wilson	The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	008963	Insolvency Practitioners Association

In accordance with paragraph 100(2) of schedule B1 of the Insolvency Act 1986, all functions of the Administrators are to be exercised by either or both of the Administrators. All references to the Administrators should be read as the Joint Administrators.

### Extension of the Administrations

The Administrations were initially extended for six months with consent of Nationwide to March 2014. Further extensions were necessary and the Administrations were extended for a period of two years with the approval of court to 17 March 2016. Two subsequent extensions each of 12 months were approved by the court and the Administrations are currently due to expire on 17 March 2018.

## **Appendix B. Receipts and Payments Accounts for the period 9 July 2017 to 8 January 2018 and Cumulative Accounts for the period since appointment**

### **Sutherland**

	Period £	Cumulative £
<b>Fixed charge assets</b>		
Receipts		
Freehold property	-	3,100,000
Service charge refund	-	122,882
Rents	-	2,415,238
Insurance recharges	-	52,686
Bank interest	14	11,768
	<b>14</b>	<b>5,702,574</b>
Payments		
Apportionments from sales consideration	-	14,081
Administrators' fees	2,145	166,142
Category 1 disbursements:		
Specific penalty bond	-	20
Travel and subsistence	-	17
Stationery, postage and photocopying	-	15
Telephone charges	-	8
Category 2 disbursements:		
Photocopying and printing	-	887
Mileage	-	203
Legal fees	-	31,064
Legal disbursements	-	1,352
Agents'/valuers' fees and disbursements	-	64,673
Other agent's fees	-	2,427
Landlord service charges	-	433,558
Property costs	-	3,890
Quarterly asset management fees	-	110,847
Bank charges	-	133
Title indemnity insurance	-	2,279
Insurance	-	124,194
Letting agent's fees	-	135,455
	<b>(2,145)</b>	<b>(1,091,245)</b>
Distributions		
Fixed chargeholder	-	4,567,468
	<b>-</b>	<b>(4,567,468)</b>
<b>Balance of fixed charge assets</b>	<b>(2,131)</b>	<b>43,861</b>

The directors' Statements of Affairs noted that all assets are owned by the Companies in a nominee capacity and therefore included no realisable values. As such, no comparisons to the Receipts and Payments Accounts can be made. The Receipts and Payments Accounts are subject to small rounding differences.

Sutherland House Securities Limited (**Sutherland**) and Greenvale Estates Limited (**Greenvale**)  
Both in Administration (together the **Companies**)

	Period £	Cumulative £
<b>Floating charge assets</b>		
Receipts		
Dilapidations settlement	-	111,000
Cash at bank	-	53,320
Bank interest	4	388
	<b>4</b>	<b>164,708</b>
Payments		
Administrators' fees	-	39,153
Category 1 disbursements:		
Statutory advertising	-	169
Travel and subsistence	-	535
Stationery, postage and photocopying	-	284
Redirection of mail	-	60
Category 2 disbursements:		
Photocopying and printing	-	369
Property agent's fees	-	1,206
Legal fees	-	1,250
Sundry expenses	-	265
Bank charges	-	15
	-	<b>(43,306)</b>
Distributions		
Floating chargeholder	-	84,000
Unsecured creditors - 28p/£ - 11/04/2017	-	25,757
	-	<b>(109,757)</b>
<b>Balance of floating charge assets</b>	<b>4</b>	<b>11,645</b>
<b>Total balance</b>	<b>(2,127)</b>	<b>55,506</b>
<b>Represented by</b>		
Non-interest bearing accounts		43,989
VAT receivable		11,517
		<b>55,506</b>

## Greenvale

	Period £	Cumulative £
<b>Fixed charge assets</b>		
Receipts		
Freehold property	4,770,000	4,770,000
Rents	234,572	3,648,383
Bank interest	496	12,002
Insurance recharges	8,972	47,186
Insurance - flooding settlement	18,300	431,649
	<b>5,032,340</b>	<b>8,909,220</b>
Payments		
Administrators' fees	19,933	233,891
Category 1 disbursements:		
Specific penalty bond	-	1,280
Travel and subsistence	-	460
Stationery, postage and photocopying	31	298
Redirection of mail	-	60
Statutory advertising	-	85
Telephone charges	-	31
Category 2 disbursements:		
Mileage	-	184
Photocopying and printing	-	760
Landlord contribution - Citrus House	228,910	228,910
Legal fees	10,000	45,170
Legal disbursements	1,012	2,959
Agents'/valuers' fees and disbursements	-	29,633
Surveyor's fees	808	9,935
Car park lease	1,262	52,680
Service charge expense	13,996	164,275
Quarterly asset management fee	13,838	165,715
Landlord costs	55,000	60,049
Bank charges	34	245
Utilities	66,117	223,065
Insurance	52,793	157,818
Repair work	8,900	21,345
Marketing costs	-	2,800
Letting agent's fees	15,296	197,508
Property expenses	10,924	418,818
	<b>(498,854)</b>	<b>(2,017,974)</b>
Distributions		
Fixed chargeholder	4,565,000	6,315,762
	<b>(4,565,000)</b>	<b>(6,315,762)</b>
<b>Balance of fixed charge assets</b>	<b>(31,514)</b>	<b>575,484</b>



Sutherland House Securities Limited (**Sutherland**) and Greenvale Estates Limited (**Greenvale**)  
Both in Administration (together the **Companies**)

	Period £	Cumulative £
<b>Floating charge assets</b>		
Receipts		
Dilapidations settlement	-	111,000
Bank interest	4	65
	<b>4</b>	<b>111,065</b>
Payments		
Agent's/valuer's fees	-	1,206
Legal fees	-	1,250
Legal disbursements	-	105
	-	<b>(2,561)</b>
Distributions		
Floating chargeholder	-	63,439
Unsecured creditors - 22.5p/£, 11/04/2017	-	20,478
	-	<b>(83,917)</b>
<b>Balance of floating charge assets</b>	<b>4</b>	<b>24,587</b>
<b>Total balance</b>	<b>(31,510)</b>	<b>600,071</b>
<b>Represented by</b>		
Interest bearing accounts		589,219
VAT receivable		10,852
		<b>600,071</b>

## Appendix C. Administrators' fees

### Fees

A copy of 'A Creditors' Guide to Administrations' can be downloaded from AlixPartners' creditor portal (<http://www.alixpartnersinfoportal.com>). If you would prefer this to be sent to you in hard copy please contact the Administrators and they will forward a copy to you.

Approval of the Administrators' fees was sought in accordance with insolvency legislation. On 25 March 2013, Nationwide approved that the basis of the Administrators' fees be fixed by reference to the time properly spent by the Administrators and their staff on matters arising in the Administrations.

In respect of Sutherland, fees totalling £166,142 have been drawn against fixed charge realisations and fees totalling £39,153 have been drawn against floating charge realisations.

In respect of Greenvale, fees totalling £233,891 have been drawn against fixed charge realisations.

### Administrators' details of time spent to date

Time Analyses for the Period are detailed below and narrative explanations of the work undertaken are provided in section 3 of this report.

#### Sutherland

The Administrators' time costs for the Period are £14,564. This represents 56 hours at an average rate of £261 per hour. Detailed below is a Time Analysis for the Period which provides details of the costs incurred by activity and by staff grade.

	Employee grade (hours)					£	
	Managing director / Director	Senior vice president	Preskalar/Consultant	Treasury/support	Hours incurred	Cost incurred	Average rate per hour
Administration and planning	-	-	0.5	-	0.5	160.00	320
Strategy and control	-	-	2.0	0.2	2.2	529.50	241
Statutory duties	-	-	3.4	-	3.4	850.00	250
Case administration	-	-	6.2	2.1	8.3	1,785.50	215
Accounting and treasury	-	-	0.1	-	0.1	30.50	305
Internal documentation	-	-	-	-	-	-	-
Realisation of assets - fixed charge	4.2	-	15.0	-	19.2	5,763.00	300
Sale of assets	-	-	5.7	1.0	6.7	1,499.50	224
Asset accounting and administration	-	-	-	-	-	-	-
Realisation of assets - floating charge	-	-	0.3	-	0.3	46.50	155
Dealing with third party assets	0.5	-	-	0.7	1.2	309.00	258
Asset accounting and administration	-	-	-	-	-	-	-
Creditors	0.6	-	11.6	-	12.2	3,213.00	263
Reporting to creditors	-	-	0.2	-	0.2	50.00	250
Secured creditors	-	-	1.1	0.4	1.5	327.00	218
Unsecured creditors	-	-	-	-	-	-	-
<b>Totals</b>	<b>5.3</b>	<b>-</b>	<b>46.1</b>	<b>4.4</b>	<b>55.8</b>	<b>14,563.50</b>	<b>261</b>

Sutherland House Securities Limited (**Sutherland**) and Greenvale Estates Limited (**Greenvale**)  
Both in Administration (together the **Companies**)

## Greenvale

The Administrators' time costs for the Period are £55,528. This represents 209 hours at an average rate of £266 per hour. Detailed below is a Time Analysis for the Period which provides details of the costs incurred by activity and by staff grade.

	Employee grade (hours)				£		Average rate per hour
	Managing director / director	Senior vice president	Vice president / consultant	Treasury/support	Hours incurred	Cost incurred	
Administration and planning							
Strategy and control	0.2	-	0.1	-	0.3	116.00	387
Case administration	0.5	-	4.0	0.1	4.6	1,261.50	274
Accounting and treasury	1.6	-	3.1	9.3	14.0	2,501.50	179
Realisation of assets - fixed charge							
Asset realisation strategy	1.1	-	40.3	-	41.4	12,748.00	308
Asset identification and valuation	-	-	13.6	-	13.6	3,400.00	250
Sale of assets	0.3	-	67.1	-	67.4	17,480.50	259
Recovery of assets	-	-	8.5	-	8.5	2,592.50	305
Dealing with third party assets	0.2	-	0.7	-	0.9	264.00	293
Asset accounting and administration	-	0.9	12.3	5.7	18.9	4,165.50	220
Realisation of assets - floating charge							
Asset identification and valuation	0.6	-	-	-	0.6	267.00	445
Asset accounting and administration	1.9	0.3	0.3	1.4	3.9	1,192.00	306
Creditors							
Reporting to creditors	0.8	-	17.7	-	18.5	5,312.50	287
Secured creditors	0.5	-	15.4	0.3	16.2	4,202.00	259
Unsecured creditors	-	-	0.1	-	0.1	25.00	250
<b>Totals</b>	<b>7.7</b>	<b>1.2</b>	<b>183.2</b>	<b>16.8</b>	<b>208.9</b>	<b>55,528.00</b>	<b>266</b>

Cumulative Time Analyses from the date of the Administrators' appointments to the end of the Period are set out below.

## Sutherland

	Employee grade (hours)				£		Average rate per hour
	Managing director / director	Senior vice president	Vice president	Treasury/support	Hours incurred	Cost incurred	
Administration and planning							
Planning	1.9	0.2	3.6	-	5.7	1,756.50	308
Strategy and control	10.9	8.5	9.2	-	28.6	9,705.50	339
Statutory duties	0.8	1.9	14.3	2.0	19.0	3,949.50	208
Case administration	2.6	4.2	53.4	0.8	60.8	12,256.00	201
Accounting and treasury	4.9	13.8	57.1	81.3	157.1	25,829.00	164
Travel and waiting time	-	-	3.8	-	3.8	885.00	233
Internal documentation	0.1	0.1	7.6	12.5	20.3	1,876.50	92
Investigations							
Director conduct reports	0.3	0.5	9.1	-	9.9	1,372.00	139
Other investigations	-	-	1.2	-	1.2	253.00	211
Realisation of assets - fixed charge							
Asset realisation strategy	1.4	8.5	74.5	-	84.4	22,010.00	261
Asset identification and valuation	0.1	-	209.5	-	209.6	38,902.50	186
Sale of assets	5.2	5.8	24.4	-	35.4	10,537.10	298
Recovery of assets	-	2.0	2.8	-	4.8	1,233.50	257
Asset accounting and administration	4.2	4.3	91.8	29.6	129.9	28,177.00	217
Realisation of assets - floating charge							
Asset identification and valuation	-	-	2.2	-	2.2	275.00	125
Sale of assets	0.2	-	0.6	-	0.8	158.00	198
Recovery of assets	0.3	-	2.5	-	2.8	722.00	258
Dealing with third party assets	0.3	-	0.6	-	0.9	265.50	295
Asset accounting and administration	1.6	0.4	3.1	8.3	13.4	2,309.00	172
Creditors							
Creditor claims	-	-	0.5	-	0.5	69.50	139
Creditor strategy	-	0.3	-	-	0.3	111.00	370
Reporting to creditors	14.6	9.3	151.8	-	175.7	45,849.50	261
Secured creditors	6.5	10.8	99.9	0.1	117.3	31,972.90	273
Unsecured creditors	0.3	0.6	15.1	0.5	16.5	3,592.50	218
Employees	-	-	5.5	-	5.5	1,207.50	220
<b>Totals</b>	<b>56.2</b>	<b>71.2</b>	<b>844.1</b>	<b>134.9</b>	<b>1,106.4</b>	<b>245,276.50</b>	<b>222</b>

Sutherland House Securities Limited (**Sutherland**) and Greenvale Estates Limited (**Greenvale**)  
Both in Administration (together the **Companies**)

## Greenvale

	Employee grade (hours)				£		Average rate per hour
	Managing director /director	Senior vice president	Vice president/consultant	Treasurer/support	Hours incurred	Cost incurred	
Administration and planning							
Planning	-	0.2	3.7	-	3.9	990.00	254
Strategy and control	5.0	7.9	12.0	-	24.9	7,828.55	314
Statutory duties	0.7	2.0	12.0	2.1	16.8	3,511.75	209
Case administration	3.2	4.7	47.9	1.0	56.8	12,347.50	217
Accounting and treasury	5.2	11.2	35.9	77.8	130.1	21,671.00	167
Travel and waiting time	-	-	2.0	-	2.0	480.00	240
Internal documentation	-	0.1	5.3	6.3	11.7	1,099.00	94
Investigations							
Director conduct reports	0.3	0.5	5.5	-	6.3	969.50	154
Internal documentation	-	-	3.5	-	3.5	525.00	150
Realisation of assets - fixed charge							
Asset realisation strategy	3.2	5.9	124.8	-	133.9	30,337.50	286
Asset identification and valuation	-	0.5	197.4	-	197.9	43,088.20	222
Sale of assets	1.4	4.6	77.7	-	83.7	22,279.00	266
Recovery of assets	0.2	0.8	8.5	-	9.5	2,947.50	310
Dealing with third party assets	0.2	-	0.5	-	1.1	314.00	285
Asset accounting and administration	11.0	5.7	133.5	42.2	192.4	43,957.00	228
Realisation of assets - floating charge							
Asset realisation strategy	0.2	-	-	-	0.2	50.00	250
Asset identification and valuation	0.9	-	-	-	0.9	400.50	445
Recovery of assets	0.3	-	-	-	0.3	147.00	490
Asset accounting and administration	9.3	0.3	-	1.1	10.7	2,707.50	253
Creditors							
Creditor strategy	0.3	-	-	-	0.3	111.00	370
Reporting to creditors	22.0	8.3	156.0	-	186.3	46,465.00	260
Secured creditors	63.0	9.1	96.0	-	168.1	45,069.40	268
Unsecured creditors	12.8	-	2.5	0.2	15.5	3,663.00	232
Employees	-	-	2.0	-	2.0	460.00	230
<b>Totals</b>	<b>139.2</b>	<b>61.6</b>	<b>927.1</b>	<b>130.7</b>	<b>1,250.9</b>	<b>302,159.00</b>	<b>240</b>

## Appendix D. Administrators' expenses and disbursements

### Expenses of the Administrations

An analysis of the costs paid to date, together with those incurred but not paid as at the end of the Period in relation to the Administration of Greenvale is provided below. There are no costs incurred but not yet paid in relation to the Administration of Sutherland.

	Paid in prior periods £	Paid in the Period £	Incurred but not paid £	Total cost to date £
Legal costs	37,117	11,012	27,165	75,294
Sales agents' fees	Nil	Nil	71,550	71,550
Insurance*	105,025	52,793	13,020	170,838
Utilities	156,948	66,117	10,000	233,065
Capital expenditure**	Nil	228,910	Nil	228,910
<b>Total</b>	<b>299,090</b>	<b>358,832</b>	<b>121,735</b>	<b>779,657</b>

\* Outstanding premium for 2017/18 apportioned to the sale date of Caton Road.

\*\* The landlord's contribution to the refurbishment of Citrus House.

### Administrators' disbursements

Category 1 disbursements of £1,108 and £2,214 have been drawn on account in the Administrations of Sutherland and Greenvale, respectively. Approval to draw category 2 disbursements was given by Nationwide on 23 March 2013 and £1,459 and £944 have also been drawn in the respective Administrations of Sutherland and Greenvale in relation to the below:

- photocopying – charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying;
- printing – charged at the rate of 10 pence per sheet for black and white printing and 15 pence per sheet for colour; and
- business mileage for staff travel – charged at the rate of 45 pence per mile.

## **Appendix E. Additional information in relation to the Administrators' fees**

### **Policy**

Detailed below is AlixPartners' policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

### **Staff allocation and the use of sub-contractors**

The Administrators' general approach to resourcing their assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The case team will usually consist of a managing director, a director or senior vice president, a vice president and a consultant. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Administrators' charge-out rate schedule overleaf provides details of all grades of staff.

With regard to support staff, time spent by treasury staff in relation to tasks such as recording transactions and dealing with bank accounts is charged but secretarial time is only recovered if a large block of time is incurred, eg report compilation and distribution.

The Administrators have not utilised the services of any sub-contractors in these cases.

### **Professional advisors**

On these assignments the Administrators have used the professional advisors listed below.

Name of professional advisor	Basis of fee arrangement
Reed Smith LLP (legal advice)	Hourly rate and disbursements
Trowers and Hamlin LLP (legal advice)	Hourly rate and disbursements
Willis Towers Watson Limited (insurance)	Risk based premium
GVA Grimley Limited (valuation and disposal advice)	Fixed fee
GVA Grimley Limited (marketing and sales)	1% of sales consideration of Sutherland House
GVA Grimley Limited (asset management)	5% of rental income of the Properties
APAM Limited (asset management and disposal advice)	Fixed fee for asset management and 1% of sales consideration of Caton Road
Phillip Lea Associates (surveyor)	Hourly rate and disbursements
WHR Property Consultants LLP (marketing and disposal advice)	0.5% of sales consideration of Caton Road and disbursements
Savills Plc (marketing and disposal advice)	Fixed fee

Sutherland House Securities Limited (**Sutherland**) and Greenvale Estates Limited (**Greenvale**)  
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The Administrators' choice was based on their perception of the professional advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of their fee arrangement with them.

## Disbursements

Category 1 disbursements do not require approval by creditors. Category 1 disbursements may include external supplies of incidental services specifically identifiable to the case eg postage, case advertising, invoiced travel and external printing, room hire and document storage. Any properly reimbursed expenses incurred by the Administrators and their staff will also be chargeable.

Category 2 disbursements do require approval prior to being paid and will be drawn in accordance with the approval given, they may include business mileage for staff travel – charged at the rate of 45 pence per mile.

## Charge-out rates

A schedule of AlixPartners' hourly charge-out rates for this assignment effective from 1 January 2018, together with those applicable prior to that date, are detailed below. Time is charged by case staff in units of six minutes.

Description	Rates from 1 January 2018 £	Rates pre 1 January 2018 £
Managing director/Appointee	485-535	465-510
Director	465	445
Senior vice president*	405	385
Vice president*	285-320	270-305
Consultant*	155-250	155-250
Treasury and support	95-185	90-175

\* A firm-wide renaming of certain staffing grades of AlixPartners has been implemented with effect from 2 January 2018. The Senior Vice President grade was formerly Vice President, Vice President was formerly Associate, and Consultant was formerly Analyst.

## **Appendix F. Exit routes and discharge from liability**

### **Dissolution of the Companies**

The Companies have no property to permit distributions to the unsecured creditors other than by way of the Unsecured Creditors' Funds. The Administrators will therefore file notices, together with their final progress report, at court and with the Registrar of Companies for dissolution of the Companies. The Administrators will send copies of these documents to the Companies and the respective creditors. The appointments will end following the registration of the notices by the Registrar of Companies.

### **Discharge from liability**

On 25 March 2013, Nationwide approved that the Administrators will be discharged from liability under paragraph 98 of schedule B1 of the Insolvency Act 1986 directly after their appointments as Administrators cease to have effect.



# 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 **Paul Butterfield**

Company name **AlixPartners**

Address **The Zenith Building, 26 Spring Gardens**

Post town **Manchester**

County/Region

Postcode **M 2 1 A B**

Country **United Kingdom**

DX

Telephone **0161 838 4500**



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**