

The Insolvency Act 1986
Administrator's progress report

Name of Company
 City Services Limited T/A Clayton Homes

Company number
 1679672

In the
 High Court of Justice, Chancery Division, Leeds
 District Registry
(full name of court)

Court case number
 2265 of 2009

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

I/We (a)
 Adrian Peter Berry
 Deloitte LLP
 1 City Square
 Leeds
 West Yorkshire
 LS1 2AL

Daniel Francis Butters
 Deloitte LLP
 1 City Square
 Leeds
 West Yorkshire
 LS1 2AL

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

(b) Insert date

From
 (b) 12 February 2011

To
 (b) 11 August 2011

Signed

[Signature]
 Joint / Administrator(s)

Dated

7/9/11

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

Adrian Peter Berry
 Deloitte LLP
 1 City Square
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 West Yorkshire
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DX Number

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When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff



**CITY SERVICES LIMITED (TRADING AS CLAYTON HOMES) – IN ADMINISTRATION
("the Company")**

Court No. 2265 of 2009

**SIX MONTHLY PROGRESS REPORT TO CREDITORS PURSUANT TO RULE 2.47 OF
THE INSOLVENCY RULES 1986**

7 September 2011

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.

Adrian Peter Berry and Ian Brown were appointed Joint Administrators of City Services Limited on 12 August 2009. Ian Brown retired on 25 May 2011 and Daniel Francis Butters was appointed as replacement Joint Administrator by the High Court of Justice. 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.

All licensed Insolvency Practitioners of Deloitte LLP are licensed in the UK to act as Insolvency Practitioners

**Adrian Peter Berry and Daniel Francis Butters
Administrators of City Services Limited – In Administration
c/o Deloitte LLP
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ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used

| | |
|----------------------|--|
| "the Act" | Insolvency Act 1986 (as amended) |
| "the Administrators" | Adrian Peter Berry and Ian Brown of Deloitte LLP Ian Brown retired on 25 May 2011 and Daniel Francis Butters was appointed as replacement Joint Administrator by the High Court of Justice |
| "the Bank" | Bank of Scotland |
| "the Company" | City Services Limited |
| "Deloitte" | Deloitte LLP |
| "the Director" | Mr Kris Harold Laurence Clayton (100% shareholder of the Company) |
| "Eddisons" | Eddisons Commercial (Holdings) Ltd |
| "HMRC" | Her Majesties Revenue and Customs |
| "the Rules" | The Insolvency Rules 1986 |
| "Walker Morris" | Walker Morris LLP |

1. INTRODUCTION

1.1 Introduction

This report has been prepared in accordance with Rule 2.47 of the Rules and the purpose of this report is to provide the Creditors with an update of the progress of the Administration since our last report to creditors dated 7 March 2011

Given the information previously provided to creditors in our previous reports, we have not included detailed background information in respect of the Company and have focussed on progress of the administration since our third report to creditors

The Administrators' proposals as deemed approved following the issue of a notice under Paragraph 52(1) of Schedule B1 of the Act on 23 September 2009 and the expiry of 12 days thereafter are detailed in section 2.1 below

On the basis that there remained unrealised assets of the Company which were not sold before 11 August 2010, the one year anniversary of the Administration, the Administrators submitted an application to the Court seeking to extend the period of the Administration by 24 months, in accordance with Paragraph 76(2)(a) of Schedule B1 of the Act. This is discussed further at section 5.1 below

A schedule of statutory information in respect of the Company is attached at Appendix 1

1.2 Details of the appointment of the Administrators

Adrian Peter Berry and Ian Brown, both partners of Deloitte LLP, 1 City Square, Leeds, West Yorkshire, LS1 2AL were appointed Joint Administrators of the Company by the High Court of Justice, Leeds District Registry on 12 August 2009, following the filing of a Notice of Appointment of Administrators by the Director

Ian Brown retired on 25 May 2011 and Daniel Francis Butters was appointed as replacement Joint Administrator by the High Court of Justice Chancery Division Companies Court (Court Case No 4240 of 2011)

For the purposes of Paragraph 100 (2) of Schedule B1 of the Act the Administrators confirm that they are authorised to carry out all functions, duties and powers either of them jointly or severally

2. THE ADMINISTRATORS' PROPOSALS

2.1 Introduction

As previously reported to creditors, the Administrators concluded that, given the quantum of the Company's liabilities and the status of the development sites, it was not possible to rescue the Company as a going concern or through a going concern sale in Administration

Consequently, the Administrators have performed their functions in relation to the Company with the objective set out in Paragraph 3 (1) (c), this is, to perform their functions with the objective of realising property in order to make a distribution to secured and/or preferential creditors

The Administrators' proposals in order to achieve this objective were deemed to be approved as no request to convene a meeting of creditors was received. The Administrators' proposals are as follows

- 1 the Administrators continue to manage the affairs and any remaining assets of the Company and the settlement of all Administration expenses,
- 2 the Administrators continue with their enquiries into the conduct of the Directors of the Company and continue to assist any regulatory authorities with their investigation into the affairs of the Company,
- 3 the Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors against the Company unless the Administrators conclude, in their reasonable opinion, that the Company will have no assets available for distribution,
- 4 the Administrators be authorised to distribute funds to the secured and preferential creditors as and when claims are agreed and funds permit and, in relation to distributions to unsecured creditors, if the Court gives permission following an appropriate application,
- 5 that, in the event the creditors of the Company so determine, at meetings of creditors, a Creditors' Committee be appointed in respect of the Company comprising of not more than five and not less than three creditors of the Company,
- 6 that, in respect of the Company, the Creditors' Committee, if one is appointed, shall be asked to agree that the Administrators' fees be fixed by reference to the time given in attending to matters arising in the Administrations and asked to agree the Administrators' expenses,
- 7 that, if a Creditors' Committee is not appointed, the secured and preferential creditors of the Company shall be asked to agree the Administrators' fees, in accordance with Rule 2.106(5A)(a), by reference to the time given in attending to matters arising in the Administration and that the Administrators' expenses for mileage be calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte LLP at the time when the mileage is incurred (presently up to 40p per mile),
- 8 that, following the realisation of assets and resolution of all matters in the Administrations, and as quickly and efficiently as is reasonably practicable, the Administrators implement the most cost effective steps to formally conclude the Administrations. This may include the distribution of funds to unsecured creditors (provided Court permission is obtained) and then the dissolution of the Company or alternatively, seeking to put the Company into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation, depending on which option will result in a better realisation for creditors,

- 9 that, if the Company were to be placed into CVL, the Administrators propose to be appointed Liquidators and any Creditors' Committee appointed will become Liquidation Committee pursuant to R4 174 of the Rules. As per paragraph 83(7) of Schedule B1 of the Act and R2 117 (3) of the Rules, the creditors may nominate a different person to be Liquidator(s), provided the nomination is made before the proposals are approved by creditors. For the purposes of s231 of the Act, the Liquidators will each be authorised to carry out all functions, duties and powers, either jointly or severally, and
- 10 in the absence of a Creditors' Committee, the secured and preferential creditors of the Company agree that the Administrators be discharged from liability per paragraphs 98 and 99 of Schedule B1 of the Act immediately upon the Administrators filing their final report to creditors and vacating office

2.2 Progress on and achievement of the approved proposals

We have summarised below the progress and current status in respect of each of the approved proposals

| Proposal | Current status |
|----------|--|
| 1 | The construction of the Silk Mill and Valley Mill sites is complete. Our ongoing strategy is to have a small number of units for sale at any one time to maintain the sales price whilst seeking to rent the remaining units. The Administrators have sold the development sites at Gwyrch Castle, Gannex Mill and Huddersfield Road. Negotiations are continuing in relation to the sale of Clayton House. |
| 2 | Enquiry into the conduct of the Director of the Company is complete with a return submitted to the Insolvency Service. The contents of this report are confidential. |
| 3 | The secured creditor claims have been agreed at £13,437,629 and preferential creditor claims have been agreed at £11,704 as detailed in Sections 4.1 and 4.2 respectively. The Administrators have concluded that there will be insufficient funds to pay unsecured creditor claims and have therefore not incurred the costs of adjudicating these claims. |
| 4 | A distribution of £216,913.64 has been made to secured creditors. Further distributions will be made in due course when further assets have been realised. |
| 5 | No creditors committee was appointed. |
| 6 | No creditors committee was appointed. |
| 7 | To date Administrators' fees of £375,000 and expenses of £6,244.75 have been drawn following secured creditor approval. |
| 8 | Not deemed appropriate at present. |
| 9 | Not applicable as insufficient funds available for a dividend to unsecured creditors. |
| 10 | Not deemed appropriate at present. |

Further information in respect of the realisation of assets, the status of liabilities and the estimated outcome for creditors is contained in the following sections of this report

3. JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

3.1 Introduction

Attached at Appendix 2 is a Receipts and Payments account covering the period from 12 August 2009 to 11 August 2011. In this section, we have summarised the details of the completion of the development sites and main asset realisations during the six month period to 11 August 2011 including comments on those assets yet to be realised.

3.2 Asset realisations

Rental income

Eddisons are currently managing both the rental and sales marketing of the units at Silk and Valley Mills. A detailed letting realisation has been prepared which forecasts an expected profit of £600,000 in line with "drip feeding" unit sales throughout a 4 to 6 year period whilst seeking to let the majority of units.

Over the 6 month period to 11 August 2011 net rental income of £47,467.46 was generated and can be summarised as follows:

| | £ |
|--|-------------------------|
| Rents received | 207,279.60 |
| <u>Less</u> | |
| Furniture, blinds & white goods | 14,995.62 |
| Heat, light, telephone | 5,236.32 |
| Letting Agents Fees & EPC Certificates | 5,150.00 |
| Management Fees re Silk Mills | 16,456.37 |
| PAYE & NI | 6,368.22 |
| Repairs & Maintenance | 34,809.99 |
| Silk Mills Service Charge | 63,980.46 |
| Valley Mills Service Charge | 2,037.16 |
| Wages | 10,778.00 |
| Net rental income | <u>47,467.46</u> |

Corporation Tax refund

With the assistance of the Company's accountants and the Deloitte tax department the Administrators sought a refund of £278,689 for the 18 months losses to 31 January 2009.

HMRC took the following actions in relation to the refund of £278,689:

- Refunded £175,119 in relation to Corporate Tax refunds, and
- Applied crown set off in relation to the Income Tax claim of £103,570

Valley Mill Ground Rents

The Administrators collected £9,326 in relation to 2010 and 2011 ground rents for the units at Valley Mill over the period.

Misc income

The Administrators received £3,745 from various tenants of units owned by the Director at Valley Mill. We are currently liaising with the Director and are likely to offset these against outstanding ground rents.

Car parking spaces

The Administrators sold 3 car parking spaces at Valley Mill for £3,300 over the period.

3.3 Estimated future realisations

Silk Mill

Located in Elland, this is a 7 floor development of 91 two bedroom apartments 7 of these properties were sold prior to the Administration with 2 units sold and 1 reserved during the Administration period for £288,470

Our ongoing strategy in relation to Silk Mill is to have a small number of units for sale at any time to maintain the sales price whilst seeking to rent the remaining units We expect this process to take a further two to four years

Valley Mill

Located in Elland, this is a four-storey building, consisting of 124 one-bedroom and two-bedroom apartments The Company's interest remains with 14 units Our strategy in relation to Valley Mill is to rent the remaining units until the property market has improved and then seek to sell We expect this process to take a further two to four years

Clayton House

Located in Elland this site is the Company's Head Office The offices are of good quality, the site also includes an extension and small house at the rear, and undeveloped land (the existing car park) at the front

Eddisons are continuing to market the entire site and are in ongoing negotiations with a number of parties

3.4 Estimated outcome for creditors

We have not yet realised all of the Land Bank assets of the Company and are in ongoing negotiations with a number of parties and we have therefore not included an Estimated Outcome Statement within this report We believe that disclosure of any estimates may seriously prejudice the commercial interests of the Company's creditors and affect the achievable value of the assets

However, at this stage it would appear highly unlikely that there will be any return to unsecured creditors given the extent of the Bank's secured borrowings of £13,437,629 at the date of appointment (Section 4 1 refers)

4. DISTRIBUTIONS TO CREDITORS

4.1 Secured creditors

The Bank's debt at the date of the appointment of the Administrators can be summarised through a number of separate Term Loan facilities as follows

| | £ |
|--------------|--------------------------|
| 1 | 3,864,344 |
| 2 | 857,726 |
| 3 | 2,387,465 |
| 4 | 4,209,742 |
| 5 | 160,025 |
| 6 | 790,150 |
| 7 | 1,168,177 |
| Total | <u>13,437,629</u> |

4.2 Preferential creditors

Preferential creditors comprising of arrears of wages and accrued holiday pay total circa £11,704. It remains unclear whether a dividend will be payable to preferential creditors following floating charge asset realisations and the general costs of Administration.

4.3 Unsecured creditors and the Prescribed Part

The Director supplied a schedule (attached to our first report) of unsecured creditors detailing £1,107,561 being owed to creditors. After discharging the costs of Administration, there will be insufficient realisations from floating charge assets to fully repay the Bank.

Accordingly, we do not expect any funds to be available to pay a dividend to the unsecured creditors of the Company other than by virtue of a Prescribed Part distribution.

The Prescribed Part (section 176A of the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs to be set aside for unsecured creditors. This equates to

- 50% of net property up to £10,000,
- Plus, 20% of net property in excess of £10,000
- Subject to a maximum of £600,000

By virtue of Section 176A(2)(a) of the Act, the Administrators must make a Prescribed Part of the Company's net property available for the satisfaction of unsecured debts. Net property is the amount of the Company's property which would, but for this section, be available for the holders of floating charges created by the Company.

Please note that it is unlikely that there will be significant floating charge asset realisations after the payment of the general costs of Administration and any preferential creditors.

It may therefore be necessary to make an application to Court to disapply the Prescribed Part under Section 176A(5) where the cost of making a Prescribed Part distribution is deemed to be disproportionate to the benefits. An update on this position will be provided in our next report.

5. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

5.1 Extensions to the initial appointment period

The Administrators sought and received a 2 year extension to 11 August 2012 for the Administration of the Company under para 76 (2) (a) Schedule B1 in order to realise the assets of the Companies. This was granted by the Court on 6 August 2010.

5.2 Investigations

As part of the Administrators' statutory duties, an investigation into the conduct of the Company Directors was completed. In this regard, a confidential report was submitted to The Insolvency Service on 29 January 2010.

5.3 Exit

As previously advised the Administrators intend to realise the assets of the Company within a 6 year period and distribute the net funds received to the Secured Creditor and Preferential creditors should there be sufficient floating charge realisations.

The exit route chosen in relation to the Company will depend on the circumstances of the Administration when all of the assets have been realised.

The exit provisions contained in Schedule B1 of the Insolvency Act 1986 provide an informal and cost effective way for the appointment of Administrators to cease and reference is made to this in the Administrators' proposals.

Unless it is proposed that the Company should be placed in Creditors' Voluntary Liquidation the appointment of Administrators will cease when the Administrator notifies the Registrar of Companies to that and three months following that date the Company will be deemed to be dissolved.

5.4 SIP 13 – Transactions with connected parties

In accordance with Statement of Insolvency Practice Number 13, we confirm that there have been no transactions with connected parties in the period.

5.5 EC Regulations

As stated in the Administration Order in respect of the Company, Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

6. JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

6.1 Joint Administrators' Remuneration

There were no funds available to the unsecured creditors other than by virtue of Section 176A(2)(a) of the Act, therefore, fixing of the Administrators' remuneration was approved in accordance with Rule 2.106 of the Rules, which is outlined as follows

- Where the Administrators have made a statement under Paragraph 52(1)(b) of Schedule B1 of the Act the Administrators' remuneration may be fixed by the approval of
 - each secured creditor, or
 - if the Administrators intend to make a distribution to preferential creditors, with the approval of each secured creditor and 50% of preferential creditors who respond to an invitation to consider approval

Therefore, the Administrators have obtained authority from the secured creditor to the basis of their remuneration and disbursements, and this basis has been by reference to the time costs properly charged by the Administrators in dealing with the Administration of the Company

Total time costs to date are £828,974.00 which represents 2,480.40 hours of time charged, with an average fee of £334.21 per hour. To date Administrators' fees of £375,000 and expenses of £6,244.75 for the Administration period have been drawn to date following secured creditor approval.

Remuneration charged during the period of this report is summarised at Appendix 3. The work has been categorised into the following task headings and sub categories

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case files and insolvency case record, statutory reporting, compliance, cashing and accounting
- **Investigations** includes investigating the companies affairs and in particular any antecedent transactions and also reporting on the conduct of its directors
- **Realisation of assets** includes identifying, securing and insuring assets, sale of business, transition of contracts, property issues, disposal of stocks, collection of debts, realisation of other fixed assets and VAT and taxation matters
- **Trading** includes planning, identifying strategy, preparation of trading forecasts, monitoring of performance against the forecasts, managing operations, dealing with supplier and landlord issues to ensure continuity of operations, accounting and employees (including pensions and other staff benefits)
- **Creditors** includes set-up of creditor records, creditor communications, preferential claims, unsecured claims, secured and employee claims
- **Other matters** includes VAT and Tax

"A Creditors' Guide to Administrators' Remuneration" is available for download at http://www.r3.org.uk/media/documents/technical_library/SIPS/SIP%209%20E&W%20INTER.pdf

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

6.2 Disbursements

The Administrators' direct disbursements in the Administration for the administration are as follows

| Expenses (£) | 12/08/09 to 11/01/11 | 12/02/11 to 11/08/11 | Total |
|--------------------------------|-------------------------|-------------------------|-----------------|
| Business calls | 275 43 | - | 275 43 |
| Insurance | 1,600 00 | - | 1,600 00 |
| Mileage | 549 51 | 15 00 | 564 51 |
| Off Street Parking/M6&M4 Tolls | 107 40 | - | 107 40 |
| Postage/ courier services | 334 85 | 189 23 | 524 08 |
| Record storage | 134 40 | 138 50 | 272 90 |
| Subsistence-Costs Incurred | 1,664 83 | - | 1,664 83 |
| Taxi | 144 00 | 44 73 | 188 73 |
| Travel | 1,402 59 | 10 35 | 1,412 94 |
| VAT over clam | 76 54 | - | 76 54 |
| Total | 6,289 55 | 397 81 | 6,687 36 |

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte LLP at the time when the mileage is incurred

6.3 Charge out rates

The range of charge out rates for the separate categories of staff is based on our 2011 charge out rates as summarised below. Manager rates include all grades of assistant manager

| Grade | Rate (£) |
|--------------------------|------------|
| Partners | 560 to 895 |
| Managers/ Directors | 280 to 670 |
| Assistants/Support Staff | 175 to 280 |

The above bands are specific to the Reorganisation Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Corporate Finance or Drivers Jonas Deloitte may be required on the case. These departments may charge rates that fall outside the Reorganisation Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Reorganisation Services department bands.

All partners and technical staff (including cashiers) assigned to the case record their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

With effect from 1 January 2011, charge out rates were increased by an average 5% and the charge out rate bandings have been amended, where applicable, to reflect this change.

6.4 Other professional costs

As previously advised, Walker Morris were instructed by the Administrators to advise on appropriate legal matters.

In addition, Eddisons, a firm of chartered surveyors and property consultants, were instructed to advise on the value, disposal strategy and the marketing of the development sites and land bank.

The professional costs to date are summarised in the table below All professional costs are reviewed and analysed before payment is approved

| Name of lawyer/ agent (£) | Net | VAT | Gross |
|---|--------------------------|-------------------------|--------------------------|
| Eddisons - build out project management | 73,704 88 | 12,292 73 | 85,997 61 |
| Eddisons - property sales | 47,468 97 | 7,455 04 | 54,924 01 |
| Eddisons - rentals/ property management | 80,327 95 | 14,557 83 | 94,885 78 |
| Walker Morris | <u>107,010 24</u> | <u>16,991 41</u> | <u>124,001 65</u> |
| Total | <u>308,512 04</u> | <u>51,297 01</u> | <u>359,809 05</u> |

CITY SERVICES LIMITED (IN ADMINISTRATION)

STATUTORY INFORMATION

| | |
|----------------|--|
| Company Name | City Services Limited (trading as Clayton Homes) |
| Previous Names | N/A |

| | |
|-------------------------------------|---|
| Proceedings | In Administration |
| Court | Leeds District Registry |
| Court Reference | 2265 of 2009 |
| Date of Appointment | 12 August 2009 |
| Joint Administrators | Adrian Peter Berry and Ian Brown c/o Deloitte LLP 1 City Square Leeds LS1 2AL |
| Registered office Address | c/o Deloitte LLP 1 City Square Leeds LS1 2AL |
| Company Number | 01679672 |
| Incorporation Date | 19/11/1982 |
| Company Secretary | Steven Antony Ellis |
| Bankers | Bank of Scotland |
| Auditors | Mazars LLP |
| Appointment by | The Director – under paragraph 22 of Schedule B1 of the Insolvency Act 1986 |
| Directors at date of Appointment | Kris Harold Laurence Clayton |
| Directors' Shareholdings | 100% - Kris Harold Laurence Clayton |

City Services Limited - In Administration
Joint Administrators' Abstract of Receipts and payments to 11 August 2011

| £ | SoA estimate | 12/08/09 to 11/02/11 | 12/02/11 to 11/08/11 | Total |
|--|----------------------|----------------------|----------------------|---------------------|
| RECEIPTS | | | | |
| Property realisations | 17,000,000 00 | | | |
| Bank Interest Gross | | 5 700 79 | 1,646 85 | 7,347 64 |
| Book Debts | | 4,577 77 | - | 4,577 77 |
| Countryside Management Company | | 536 28 | - | 536 28 |
| Freehold Ground Rent, Vale Mill, Greetland | | 2,200 72 | 9 326 16 | 11,526 88 |
| Furniture & Equipment | | 4,961 00 | - | 4,961 00 |
| Insurance claim | | 12,738 00 | - | 12,738 00 |
| Misc Income | | 3,037 50 | 3 745 00 | 6,782 50 |
| Rents received | | 444,989 38 | 207,279 60 | 652,268 98 |
| Retentions | | 87 98 | - | 87 98 |
| Sale of car parking space | | - | 3 300 00 | 3,300 00 |
| Sale of Gannex Mill | | 1 600,000 00 | - | 1,600,000 00 |
| Sale of Gwyrch Castle | | 300,000 00 | - | 300,000 00 |
| Sale of Silk Mill Apartments | | 289,162 57 | (692 57) | 288,470 00 |
| Unidentified Rent | | 505 00 | - | 505 00 |
| VAT payable | | 920 14 | 2 18 | 922 32 |
| VAT refund - pre appointment | | - | 175,118 68 | 175,118 68 |
| VAT refund | | 177,295 46 | 26 721 12 | 204,016 58 |
| YWA Todmorden bond release | | 1,925 00 | - | 1,925 00 |
| | 17,000,000 00 | 2,848,637 58 | 426,447 00 | 3,275,084 59 |
| PAYMENTS | | | | |
| Preferential creditors | 10,000 00 | | | |
| Debts secured by floating charge | 13 500,000 00 | | | |
| Unsecured creditors | 1,000 000 00 | | | |
| Share capital | 100 00 | | | |
| Administrators Expenses | | 6,244 75 | - | 6,244 75 |
| Administrators Fees | | 375,000 00 | - | 375,000 00 |
| Agents Fees | | 78,537 25 | 39,479 88 | 118,017 13 |
| Bank charges & debit interest | | 12,246 20 | 225 00 | 12 471 20 |
| Building Maintenance & Expenditure Float | | 49,369 33 | (49,369 33) | - |
| Chargeholder | | 216,913 64 | - | 216 913 64 |
| Cleaning re Silk Mill Apartments | | 1,550 00 | - | 1,550 00 |
| Debit Interest | | 3,666 08 | - | 3 666 08 |
| Defect Insurance re Silk Mills | | 111,487 50 | - | 111,487 50 |
| Furniture, Blinds & White Goods for Sil | | 53,540 25 | 14,995 62 | 68,535 87 |
| General duties re Office and Valley Mill | | 4,725 64 | - | 4,725 64 |
| Generator for Silk Mill | | 12,359 00 | - | 12,359 00 |
| Heat, Light & Telephone | | 25,720 90 | 5,236 32 | 30,957 22 |
| Hire of Equipment | | 4,699 99 | 365 00 | 5,064 99 |
| Insurance of Assets | | 76,342 36 | 20,549 62 | 96,891 98 |
| Insurance work for Gannex Mill | | 19,450 00 | - | 19,450 00 |
| Insurance work re Gwyrch Castle | | 77,527 83 | (49,479 88) | 28,047 95 |
| IT Services | | 9,340 48 | - | 9 340 48 |
| Legal Fees | | 103,563 44 | 3,446 80 | 107,010 24 |
| Letting Agents Fees & EPC Certificates | | 19,744 64 | 5,150 00 | 24 894 64 |
| Management Fees re Silk Mills | | 38,976 94 | 16,456 37 | 55,433 31 |
| Materials | | 36,464 60 | 2,431 06 | 38 895 66 |
| PAYE & NI | | 48,133 74 | 6,368 22 | 54,501 96 |
| Petty Cash | | 488 77 | (223 48) | 265 29 |
| Postage & Redirection | | 104 05 | - | 104 05 |
| Pre-appointment Legal Fees | | 2 274 13 | - | 2,274 13 |
| Professional Costs | | 44,920 79 | 180 00 | 45,100 79 |
| Rates | | 28,138 93 | 9,413 99 | 37,550 92 |
| Repairs & Maintenance | | 24,929 23 | 34,809 99 | 59 739 22 |
| S106 agreement with Calderdale council | | 214,887 00 | 214,337 00 | 429,224 00 |
| Section 38 Works & Todmorden | | 43,900 00 | - | 43 900 00 |
| Security Patrols | | 3,070 00 | 1,190 00 | 4,260 00 |
| Silk Mills Service Charge | | - | 63,980 48 | 63,980 48 |
| Statutory Advertising | | 228 24 | - | 228 24 |
| Sub Contractors | | 490,625 70 | - | 490,625 70 |
| Sundry / Building Materials | | 1,330 83 | 3 719 63 | 5 050 46 |
| Supply & Fit Carpets to Silk Mills | | 65,762 00 | - | 65,762 00 |
| Supply & Fit Ventilation Works | | 21,865 77 | - | 21,865 77 |
| Surveyors fees | | 4,096 00 | - | 4,096 00 |
| Travel Expenses | | 1,062 64 | - | 1 062 64 |
| Valley Mills Service Charge | | 36,409 55 | 2 037 16 | 38,446 71 |
| VAT Payable | | - | 91,692 65 | 91 692 65 |
| VAT Receivable | | 204,827 95 | 11 692 14 | 216,520 09 |
| Wages | | 113,875 53 | 10,788 10 | 124,663 63 |
| | 14,510,100 00 | 2,688,399 67 | 459,472 52 | 3,147,872 19 |
| Balances In Hand | | 160,237 92 | (33,025 52) | 127,212 40 |

City Services Limited
(In Administration)

Time costs for the period 12/03/09 to 11/08/11

| | Partners & Directors | | Managers | | Assistants & Support | | TOTAL | | Average |
|---|----------------------|-------------------|-----------------|-------------------|----------------------|------------------|-----------------|-------------------|---------------|
| | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hourly Rate |
| Administration and Planning | | | | | | | | | |
| Cashiering and Statutory Filing | 0.35 | 278.25 | 97.60 | 43,975.00 | 172.40 | 43,701.50 | 270.35 | 87,954.75 | 325.34 |
| Case Supervision, Management and Closure | 5.10 | 2,797.00 | 231.40 | 63,107.00 | 2.20 | 448.00 | 238.70 | 66,352.00 | 277.97 |
| Initial Actions (e.g. Notification of Appointment, Securing Assets) | - | - | 25.50 | 6,375.00 | - | - | 25.50 | 6,375.00 | 250.00 |
| General Reporting | - | - | 35.50 | 13,550.00 | 4.80 | 696.00 | 40.30 | 14,246.00 | 353.80 |
| | 5.45 | 3,075.25 | 390.00 | 127,007.00 | 179.40 | 44,845.50 | 574.85 | 174,627.75 | 304.30 |
| Investigations | | | | | | | | | |
| Reports on Directors' Conduct | - | - | 7.50 | 2,422.50 | - | - | 7.50 | 2,422.50 | 323.00 |
| | - | - | 7.50 | 2,422.50 | - | - | 7.50 | 2,422.50 | 323.00 |
| Trading | | | | | | | | | |
| Day 1 Control of Trading | 5.00 | 2,722.50 | 13.00 | 4,933.50 | - | - | 18.00 | 7,656.00 | 425.33 |
| Ongoing Trading | 201.00 | 111,577.00 | 1,256.50 | 365,935.75 | 8.20 | 1,264.00 | 1,465.70 | 478,776.75 | 328.65 |
| Monitoring Trading | - | - | 17.00 | 4,310.00 | - | - | 17.00 | 4,310.00 | 253.53 |
| Closure of Trade | - | - | 7.50 | 2,002.50 | - | - | 7.50 | 2,002.50 | 267.00 |
| | 206.00 | 114,299.50 | 1,294.00 | 377,181.75 | 8.20 | 1,264.00 | 1,508.20 | 492,745.25 | 328.71 |
| Realisation of Assets | | | | | | | | | |
| Plant and Equipment, Fixtures and Fittings and Vehicles | - | - | 2.50 | 625.00 | - | - | 2.50 | 625.00 | 250.00 |
| Property - Freehold and Leasehold | 10.00 | 5,445.00 | 46.50 | 15,552.00 | - | - | 56.50 | 20,997.00 | 371.83 |
| | 10.00 | 5,445.00 | 49.00 | 16,177.00 | - | - | 59.00 | 21,622.00 | 366.47 |
| Creditors | | | | | | | | | |
| Employees | - | - | 27.30 | 7,230.00 | - | - | 27.30 | 7,230.00 | 264.84 |
| Secured | 5.00 | 2,722.50 | 53.50 | 21,791.00 | - | - | 58.50 | 24,513.50 | 419.03 |
| Unsecured | - | - | 15.00 | 3,810.00 | 1.50 | 255.00 | 16.50 | 4,065.00 | 246.36 |
| | 5.00 | 2,722.50 | 95.80 | 32,831.00 | 1.50 | 255.00 | 102.30 | 35,808.50 | 350.03 |
| Other Matters Include | | | | | | | | | |
| Tax and VAT | 22.60 | 17,072.00 | 166.15 | 77,298.75 | 39.60 | 7,077.25 | 228.35 | 101,448.00 | 443.88 |
| | 22.60 | 17,072.00 | 166.15 | 77,298.75 | 39.60 | 7,077.25 | 228.35 | 101,448.00 | 443.88 |
| TOTAL HOURS & COST | 249.25 | 142,814.25 | 2,002.45 | 632,918.00 | 228.70 | 53,441.75 | 2,480.40 | 828,974.00 | 334.21 |

TOTAL FEES DRAWN TO DATE

375,000.00