

# Joint liquidators' progress report from 18 July 2020 to 17 July 2021

**Dickens Heath Development Company Limited - both  
in liquidation**

13 September 2021

# Table of contents

<b>Abbreviations and definitions</b>	<b>3</b>
<b>Key messages</b>	<b>5</b>
<b>Overview of what we've done to date</b>	<b>7</b>
<b>Outcome for creditors</b>	<b>8</b>
<b>Progress since we last reported</b>	<b>9</b>
<b>Appendix A: Receipts and payments</b>	<b>12</b>
<b>Appendix B: Expenses</b>	<b>15</b>
<b>Appendix C: Remuneration update</b>	<b>16</b>
<b>Appendix D: Other information</b>	<b>22</b>

# Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

<b>Company</b>	Dickens Heath Development Company Limited
<b>DHMC</b>	Dickens Heath Management Company Limited
<b>Dickens Heath Estate</b>	The properties and communal areas comprising the ground rent portfolio
<b>Liquidators</b>	David Robert Baxendale and Robert Jonathan Hunt to 8 November 2016 and David Robert Baxendale and Toby Scott Underwood from 8 November 2016
<b>Firm</b>	PricewaterhouseCoopers LLP
<b>IR16</b>	Insolvency (England and Wales) Rules 2016
<b>IA86</b>	Insolvency Act 1986
<b>CVL</b>	Creditors' voluntary liquidation
<b>HMRC</b>	HM Revenue and Customs
<b>Prescribed part</b>	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
<b>Secured creditors</b>	Creditors with security in respect of their debt, in accordance with Section 248 IA86
<b>Preferential creditors</b>	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
<b>Bank</b>	Royal Bank of Scotland Plc - a secured creditor
<b>Unsecured creditors</b>	Creditors who are neither secured nor preferential

This report has been prepared by David Robert Baxendale and Toby Scott Underwood as Joint Liquidators of the Company, solely to comply with the Joint Liquidators' statutory duty to report to creditors under IR16 on the progress of the liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company. Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any person choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Liquidators' previous reports issued to the Company's creditors, which can be found at [www.pwc.co.uk/dickens](http://www.pwc.co.uk/dickens). Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

David Robert Baxendale and Toby Scott Underwood have been appointed as Joint Liquidators of the Company. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in

England and Wales. The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Liquidators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Liquidators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

# Key messages

## Why we've sent you this report

We're writing to update you on the progress of the liquidation of the Company in the 12 months since our last report dated 10 September 2021.

You can still view our earlier reports on our website at [www.pwc.co.uk/dickens](http://www.pwc.co.uk/dickens). Please get in touch with Adam Thompson on 0113 289 4983 or at [adam.x.thompson@pwc.com](mailto:adam.x.thompson@pwc.com) if you need the password to access the reports.

## How much creditors have received

The following table summarises the possible outcome for creditors, based on what we currently know.

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Preferential creditors	N/A	N/A
Unsecured creditors	2 - 4	2 - 4

## What you need to do

We've asked for outstanding claims from unsecured creditors so that we can agree them for dividend purposes.

If you haven't already done so, please send your claim to us so that we can agree it. A claim form can be downloaded from our website at [www.pwc.co.uk/dickens](http://www.pwc.co.uk/dickens) or you can get one by telephoning Adam Thompson on 0113 289 4983.

# Overview of what we've done to date

This is our ninth progress report. You may wish to refer to our previous reports which can be found at [www.pwc.co.uk/dickens](http://www.pwc.co.uk/dickens).

As explained in our earlier reports, the Receivers were appointed over the Company's assets which were subject to a fixed charge. The Receivers have realised all the assets under their appointment and ceased to act in August 2018. After discharging the liability due to the Bank as secured creditor, there was a surplus passed to the liquidation.

Assets have been realised as set out below:

	Estimated to realise per the statement of affairs £	Current Status £
<b>Assets subject to fixed charge</b>		
Garden Square East Slab	3,500,000	Sold by Receivers
Commercial Properties: 73, 35, 77 Main Street, Dickens Heath	440,000	Sold by Receivers
Garden Squares Phase 1, residential properties	2,945,250	Sold by Receivers
Garden Squares Phase 1, commercial properties	175,000	Sold by Receivers
Waterside commercial properties	600,000	Sold by Receivers
Waterside residential property	158,400	Sold by Receivers
 <b>Assets to be realised by the Liquidators</b>		
Accounts receivable (historic ground rents)	£ 4,300	£ 500,141
Bank interest	-	8,927
Ground rent portfolio	800,000	*1,044,515
Refunds	-	17,910
	<b>804,300</b>	<b>1,571,493</b>

\*We provide further details on the progress made in relation to the sale of the ground rent portfolio later in this report. Note that surplus funds of £896k were received from the Receivers upon them vacating office.

When we last reported, the key outstanding matters in the liquidation were as follows:

- Collecting aged ground rents due;
- Marketing and realising the Company's ground rent portfolio;
- Finalising the tax position of the Company;
- Adjudicating and agreeing claims; and
- Distributing funds to creditors.

We will provide an update on how these matters have progressed during the period later in this report.

# Outcome for creditors

## Secured creditors

The Bank's lending to the Company as at the date of the Receivers' appointment was c£7.5m and was secured by a debenture dated 4 December 2007. This security gave the Bank fixed and floating charges over all the Company's assets. The Bank recovered its lending in full from the receivership assets as detailed in prior reports.

The Metropolitan Borough of Solihull also held a debenture in relation to the Company. The Receivers confirmed that this charge was removed when the sale of the slab was completed.

## Preferential creditors (mainly employees)

There are no preferential creditors of this Company.

## Unsecured creditors

Dividends become available for unsecured creditors when there are sufficient funds (after costs of the liquidation) to pay the secured and preferential creditors in full, with an amount left over. In certain circumstances, part of the amount available for secured creditors may be ring-fenced for the benefit of unsecured creditors. This prescribed part is paid out of 'net property', which is floating charge realisations after costs, and after paying - or setting aside enough to pay - preferential creditors in full. However it only has to be made available where the floating charge was created on or after 15 September 2003.

As the secured creditor has recovered its lending in full from fixed charge assets, the prescribed part does not apply in this case.

We have previously paid an interim distribution to unsecured creditors that had proved their debt totalling 1.4 pence in the pound. The total funds distributed were £498,557.

We expect to pay a further distribution to unsecured creditors within the next 6-12 months, but this is dependent on completing the sales of the remaining ground rent properties and concluding other matters in relation to the assets of the Company. Further details about the progress of the sale can be found later in this report.

# Progress since we last reported

## Realisation of assets

### **Sale of the ground rent portfolio**

The liquidators started off the process for a sale of the ground rent portfolio in 2019, having already appointed directors to manage DHMC, the property management company for the Dickens Heath Village Centre site,. Property matters have been complex and DHMC has been pivotal in dealing with the portfolio to enable the assets to get to a position where a sale can be concluded.

We appointed Lambert Smith Hampton following a competitive tender process to assist with the sales process for the ground rent portfolio in August 2019. The portfolio was marketed from November 2019 with a widespread and open marketing campaign undertaken by the agents. Following an initial request for bids, 4 offers were received and negotiations and clarification of points continued with the two highest bidders. This process continued whilst the parties undertook further due diligence and during this process one bidder fell away and the other bidder confirmed their final offer. As a result of the COVID-19 pandemic the preferred bidder unfortunately withdrew their offer during the Summer of 2020 and as a result the liquidator's only option was to seek to sell the portfolio on a block by block basis via an auction.

Under the Landlord and Tenant Act 1987, once the liquidators had concluded negotiations as described above, they issued the necessary Section 5 notices to leaseholders with a view to concluding a transaction by the end of 2020. The Section 5 notices are a legal requirement under the Landlord and Tenant Act 1987 which allow leaseholders the opportunity to purchase the freehold interest of their property. Following the Section 5 notices being issued to leaseholders last year, a sale of the majority of the ground rent portfolio completed at auction on 17 December 2020. The lots sold for total proceeds of £1,037,500.

There are 3 remaining properties that form part of the ground rent portfolio that have not yet sold. We are required to complete a sale of the remaining lots within the time frame specified in the Landlord and Tenant Act 1987. As a result the lots were listed in a further auction in February 2021 but failed to sell at the required value. As a result, under the necessary timescales set out in the Landlord and Tenant Act 1987 the process to sell the remaining properties will commence again in the final quarter of 2021 with a view to concluding a sale in early 2022.

### **Ground rent arrears**

As mentioned in our previous reports, in order to be in a position to market the ground rent portfolio once the Receivers ceased to act, we have been extensively involved with DHMC, to ensure the collection of all historic ground rents and ensure the appropriate management/maintenance structure is in place.

During the period, DHMC has recovered £15,618 of aged ground rents and these have been transferred to the liquidation, bringing total ground rent receipts during the liquidation to £500,141, including surplus received from the Receivers. We expect to recover a small amount of additional ground rent in the liquidation, covering up to the dates of sales of each of the ground rent properties. .

### **First tier tribunal claims**

As previously reported, certain residents within the Dickens Heath portfolio were taking legal action via First Tier Tribunals in relation to service charges applied under their leasehold agreements. We have worked closely with our legal advisors to resolve these issues.

During the period covered by this report, we have entered into a settlement agreement regarding the action taken via First Tier Tribunals. As part of the agreement, the loan of £259,014 to DHMC from the Company (of which £100,000 was paid out of the liquidation estate, with the balance made up of funds due to the Company at the time of the liquidation that were not expected to be realised) has been written off. Additionally, a further amount of £200,000 has been provided to DHMC as a contribution to the service charge account to be used for the purposes of funding the provision of services to the Dickens Heath Estate. This settlement was reached with the residents in order to avoid additional costs being incurred by the Company or DHMC in defending the tribunal. It was also felt that an ongoing tribunal process would impact the liquidator's ability to realise the remaining assets in the estate and complete the necessary steps to conclude the liquidation.

## Connected party transactions

There have been no transactions with connected parties in the period covered by this report.



## Statutory and compliance

During the period, we have prepared and submitted the previous progress report. We have also prepared and submitted the corporation tax return for the period ended 17 July 2020. We have also undertaken case progression reviews to ensure that the liquidation continues to progress, in compliance with statutory requirements, towards ultimate closure once outstanding matters are complete.

## Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

## Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidation from 18 July 2020 to 17 July 2021.

## Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses. The statement excludes any potential tax liabilities that we may need to pay as a liquidation expense in due course because amounts due will depend on the position at the end of the tax accounting period.

## Our fees

We set out in Appendix C an update on our fees, disbursements and other related matters.

## Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/liquidations-creditor-fee-guide-1-april-2021.ashx?la=en>

You can also get a copy free of charge by telephoning Adam Thompson on 0113 289 4983.

## What we still need to do

In order to conclude the liquidation, we still need to complete a sale of the remaining ground rent properties and conclude the sale and transfer of any remaining assets, pay a second and final distribution to the unsecured creditors and draw our final fees for our work. Once this has been completed, we will prepare our final account for the liquidation and file notice of the move to dissolution at Companies House.

## Next report

We expect to send our next report to creditors at the end of the liquidation or in about 12 months, whichever is sooner. If you've got any questions, please get in touch with Adam Thompson on 0113 289 4000.

Yours faithfully



David Baxendale  
Joint liquidator

# Appendices

# Appendix A: Receipts and payments

Statement of affairs		Brought forward from 17 July 2020	18 July 2020 to 17 July 2021	Total from appointment to 17 July 2021
(£)	Receipts	(£)	(£)	(£)
7,818,650.00	Freehold property (Ground Rent Portfolio)	7,014.60	1,037,500.00	1,044,514.60
-	Receivers' funds received	895,900.57	-	895,900.57
800,000.00	Ground rents	484,523.66	15,617.82	500,141.48
	Contribution to legal costs	2,400.00	-	2,400.00
4,300.00	Accounts receivable	901.05	-	901.05
-	Contribution to liquidators' costs	500.00	-	500.00
-	Refunds	17,910.25	-	17,910.25
-	Interest received gross	8,927.06	-	8,927.06
8,622,950.00	<b>Total</b>	<b>1,418,077.19</b>	<b>1,053,117.82</b>	<b>2,471,195.01</b>
<b>Payments</b>				
	Liquidators' fees (time costs basis)	(160,000.00)	-	(160,000.00)
	Statement of affairs fee	(7,500.00)	-	(7,500.00)
	Liquidators' disbursements	(2,087.80)	-	(2,087.80)
	Agent's fees	(80,050.02)	(249,631.94)	(329,681.96)
	Data room costs	(54,958.26)	-	(54,958.26)
	Legal fees & Expenses	(67,918.97)	(87,284.03)	(155,203.00)
	Corporation tax / Income tax	(76,060.02)	-	(76,060.02)
	Loan to DHMC (written off in the period)	(100,000.00)	-	(100,000.00)
	Settlement agreement - DHMC	-	(200,000.00)	(200,000.00)
	Irrecoverable VAT	(71,497.30)	(67,383.18)	(138,880.48)
	Statutory advertising	(75.00)	-	(75.00)
	Finance / Bank interest & charges	(39.70)	-	(39.70)
	<b>Total</b>	<b>(620,187.07)</b>	<b>(604,299.15)</b>	<b>(1,224,486.22)</b>
	VAT Control	-	-	-
	Distribution to unsecured creditors of 1.4p in £ on 21 June 2018	(498,557.45)	-	(498,557.45)
	<b>Balance held in Barclays interest bearing account</b>	<b>299,332.67</b>	<b>448,818.67</b>	<b>748,151.34</b>

## Notes to the R&P

1. Amounts shown exclude VAT. All VAT is irrecoverable

# Appendix B: Expenses

Expenses are amounts properly payable by us as liquidators from the estate, but excludes our fees and distributions to creditors. These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP9 definition
<b>Category 1</b>	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
<b>Category 2</b>	Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the liquidation and has been approved by the general body of creditors where required.

The following disbursements arose in the period of this report.

Category	Policy	Costs incurred (£)
2	<b>Photocopying</b> – at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
2	<b>Mileage</b> – At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	<b>Storage</b>	34.89
1	<b>Postage</b>	163.32
<b>Total</b>		198.21

The following table provides details of our expenses. Expenses are amounts properly payable by us as liquidators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as a liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

Expense incurred	Unpaid expenses Brought forward from preceding period £	Incurred in the period under review £	Expenses paid in the period £	Unpaid expenses at 17 July 2020 £	Estimated future expenses £
Liquidators' fees	308,283.00	158,820.75	-	467,103.75	60,000.00
Liquidators' expenses	406.00	198.21	-	604.21	500.00
Legal fees	547.00	186,725.41	87,284.03	99,988.38	40,000.00
Bank charges	3.00	-	-	3.00	40.00
Online data hosting facility	-	-	-	-	-
Payment to DHMC	-	200,000.00	200,000.00	-	-
Agent's fees & disbursements	75,000.00	174,631.94	249,631.94	-	50,000.00
Statutory advertising	-	-	-	-	-
Irrecoverable VAT	-	67,383.18	67,383.18	-	30,100.00
<b>Total</b>	<b>384,239.00</b>	<b>720,376.31</b>	<b>604,299.15</b>	<b>567,699.34</b>	<b>180,640.00</b>

# Appendix C: Remuneration update

Our fees were approved on a time costs basis at the meeting of creditors on 18 July 2012. This approval allows us to draw fees by reference to the time properly given by us and our staff in dealing with the liquidation.

We have drawn fees to date of £160,000 in line with the approval given, no fees have drawn in the period covered by this report. Total time costs of £627,064.47 have been incurred since our appointment, as shown on the enclosed summary found in the next section of this report.

The time cost charges incurred in the period covered by this report are £158,820.75 which represents 257.45 hours at an average hourly rate of £616.90. This amount does not necessarily reflect how much we will eventually draw as fees for this period.

We set out later in this Appendix details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

## Our hours and average rates

Work Type	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Hours	Total Cost (£)	Average hourly rate (£)	Cumulative time costs (£)
Accounting and Treasury	-		0.10	2.70	20.00	5.40	28.20	10,359.25	371.95	79,456.00
Assets	36.10		100.90	2.55	8.80	-	148.35	106,280.50	716.42	300,891.80
Creditors	-		-	-	1.00	-	1.00	390.00	390.00	3,355.40
Investigations	-		-	-	-	-	-	-	-	23,118.40
Statutory and Compliance	4.00		0.50	18.35	27.50	-	50.35	23,133.75	459.46	45,888.37
Strategy and Planning	9.75		-	1.20	4.10	-	15.05	11,375.25	755.83	87,376.20
Tax and VAT	-		3.40	0.05	5.80	5.25	14.50	7,282.00	502.21	86,978.30
<b>Grand Total</b>	<b>49.85</b>		<b>104.90</b>	<b>24.85</b>	<b>67.20</b>	<b>10.65</b>	<b>257.45</b>	<b>158,820.75</b>	<b>616.90</b>	<b>627,064.47</b>

## Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the liquidation. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. For the avoidance of doubt, work carried out by our cashiers, support and secretarial staff is charged on a time costs basis and is included in the analysis of hourly rates charged by partners or other staff members. Time is charged in three minute units (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidation. We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

**With effect from 1 July 2020**

<b>Grade</b>	<b>Maximum rate per hour (£)</b>	<b>Specialist maximum rate per hour (£)</b>
Partner	955	1,600
Director	840	1,465
Senior Manager	665	1,290
Manager	575	815
Senior Associate	465	605
Associate	245	325
Offshore Professionals	245	245
Support staff	155	180

**With effect from 1 July 2021**

<b>Grade</b>	<b>Maximum rate per hour (£)</b>	<b>Specialist maximum rate per hour (£)</b>
Partner	980	1,680
Director	865	1,540
Senior Manager	685	1,425
Manager	595	860
Senior Associate	480	640
Associate	350	345
Offshore Professionals	350	245
Support staff	160	230

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

## Payments to associates

We have not made any payments to associates or any party who could reasonably be considered an associate in the period covered by this report.

## Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work undertaken in the period: :

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting & treasury	Managing and reconciling the bank account Processing and allocating receipts Processing invoices for payment Verifying account details	For proper management of funds held	Ensures proper stewardship of funds
Assets	<p>Liaising with agents for DHMC regarding rent collection and efficient management of portfolio</p> <p>Liaising with legal advisors in relation to disputes over service charges in relation to the development</p> <p>Liaising with professional advisors regarding a sale of the ground rent portfolio</p> <p>Liaising with DHMC in relation to property information</p> <p>Liaising with solicitors over the service of s5 Notices</p> <p>Liaising with interested parties in relation to the ground rent portfolio</p> <p>Negotiating a sale with interested parties in relation to the ground rent portfolio</p> <p>Liaising with DHMC in relation to aged rent arrears and service charge issues</p> <p>Liaising with legal advisors in relation to service charge issues</p> <p>Liaising with legal advisors in relation to First Tier Tribunals</p>	To realise funds for creditors	Maximises potential returns to creditors
Creditors	<p>Responding to creditor queries</p> <p>Providing updates to creditors</p> <p>Liaising with creditors to obtain additional information in support of claims.</p>	To keep creditors updated on progression	Ultimately relates to returning funds to creditors
Statutory & compliance	<p>Preparation, review and circulation of the 2020 progress report</p> <p>Updating case website</p> <p>Filing of case correspondence</p> <p>Maintaining case files and records</p>	To comply with statutory requirements	Statutory and regulatory requirements
Strategy & planning	<p>Liaising with professional advisors</p> <p>Six monthly manager and appointee reviews</p> <p>Maintaining case outcome statement</p>	To ensure effective case management and progression	Minimises costs to creditors and maintains case progression



Tax & VAT	Liaising with internal tax team Preparing, reviewing and submitting the tax return to 2020 year end	Required by statute	Statutory and regulatory requirement
-----------	--------------------------------------------------------------------------------------------------------	---------------------	--------------------------------------

## Our future work

We still need to do the following work in the liquidation:

Area of work	Work we need to do	Estimated cost (£)	What, if any, financial benefit the work will provide to creditors OR whether it is required by statute
Accounting & treasury	Managing and reconciling the bank account Processing and allocating receipts Processing invoices for payment Verifying account details Processing the final distribution to creditors Dealing with unclaimed distribution cheques Bank account closure	3,500	Ensures proper management of funds held
Assets	Liaising with agents in respect of sales of the remaining ground rent properties Completing a sale of the remaining 3 ground rent portfolio properties	19,500	Maximises potential returns to creditors
Closure procedures	Planning for case closure Clearance requests before leaving office Conducting closure reviews Preparing the final progress report Filing relevant notices to exit office Systems closure	6,000	Minimises costs to increase returns to creditors
Creditors	Responding to creditor queries Providing updates to creditors Reviewing and agreeing any new creditor claims received after payment of the interim dividend Distributing funds to creditors (final) Dealing with unclaimed dividends	12,000	No financial benefit
Statutory & compliance	Preparation, review and circulation of the annual progress report Updating case website Filing of case correspondence Maintaining case files and records Dealing with the Company books & records Statutory file reviews by the appointees	9,500	Statutory and regulatory requirements

Strategy & planning	Preparing the final distribution strategy to return funds to creditors Progression meetings Strategy meetings and case handover meetings Closure strategy	4,000	Minimises costs to creditors and maintains case progression
Tax & VAT	Liaising with internal tax team Preparing, reviewing and submitting the annual / final tax returns Liaising with HMRC in relation to tax computations Obtaining tax clearance to exit office	5,500	Statutory and regulatory requirement

## Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the liquidation where the relationship could give rise to a conflict of interest.

## Details of subcontracted work

We have appointed Robert Wiggins and William Wardrop in order to assist us on a consultancy basis with the realisation of the ground rent portfolio and collection of arrears due. Their knowledge and expertise has been instrumental in the sale of the properties and maximising realisations from the property portfolio. As shown above realisations from ground rent and the sale of the ground rent portfolio have so far amounted to £500,141 and £1,044,514 respectively against combined consultant fees of £292,388 (net of VAT). Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal advice	Dentons LLP	Relevant expertise	Time costs
Consultancy in relation to the ground rent portfolio	Robert Wiggins	Relevant expertise	Time costs
Consultancy in relation to the ground rent portfolio	William Wardrop	Relevant expertise	Time costs
Property agents	Lambert Smith Hampton Group Limited	Relevant expertise & industry knowledge	Percentage realisations & time costs capped at £3,000
	Sanderson Weatherall LLP	The team from LSH moved to Sanderson Weatherall and the contract has been novated	As above

# Appendix D: Other information

---

Company's registered name:	Dickens Heath Development Company Limited
----------------------------	-------------------------------------------

---

Trading name:	As above
---------------	----------

---

Registered number:	04319615
--------------------	----------

---

Registered address:	Central Square, 8 <sup>th</sup> Floor, 29 Wellington Street, LS1 4DL
---------------------	----------------------------------------------------------------------

---

Date of the Liquidators' appointment:	18 July 2012
---------------------------------------	--------------

---

Liquidators' names, addresses and contact details:	David Robert Baxendale and Toby Scott Underwood of PricewaterhouseCoopers LLP, Central Square, 8 <sup>th</sup> Floor, 29 Wellington Street, LS1 4DL
----------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------

Contact: Adam Thompson on 0113 289 4983
-----------------------------------------

---