To members and all known creditors

When telephoning, please ask for Daniel Thiel

8 August 2012

Our ref: SJ/CH/DT/fms/firstletter

Dear Sir/Madam

Dickens Heath Development Company Limited - In Liquidation
Formerly trading from: 22-23 Old Burlington Street, London, W1S 2JJ

In accordance with Rule 4.49 of the Insolvency Rules 1986, please find enclosed the liquidators' first report following the meetings of members and creditors held at PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, B3 2DT on 18 July 2012.

If you have any questions in connection with the report, please contact Daniel Thiel on 01202 294621.

Yours faithfully

David Baxendale
Joint Liquidator

Enclosure

David Robert Baxendale and Robert Jonathan Hunt have been appointed Joint Liquidators. Both are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

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Private & Confidential

First report to members & creditors

8 August 2012

Company	**Dickens Heath Development Company Limited**
Type of Insolvency	**Creditors' Voluntary Liquidation**
Date of Appointment	**18 July 2012**
Appointees	**David Robert Baxendale** **Robert Jonathan Hunt**
Address	**PricewaterhouseCoopers LLP** **Hill House, Richmond Hill, Bournemouth BH2 6HR**

Dividend Prospects

	Current estimate p in £
Preferential	N/A
Unsecured	Uncertain

Please note that the guidance on dividend prospects is indicative only. It should not be used as the sole or principal basis of any bad debt provision decision.

Dickens Heath Development Company Limited – In Liquidation

Report to Members & Creditors

This is the liquidators' first report to members and all known creditors in the above liquidation. Attached for your attention is a copy of the directors' report, and sworn statement of affairs which provides details of the Company's assets and liabilities.

Resolutions approved at the initial meetings

Members

At a general meeting of the company held on 18 July 2012, the following resolutions were approved. The first resolution was a special resolution and the second and third were ordinary resolutions:

1. It was proved to the satisfaction of the meeting that the company could not by reason of its liabilities continue its business and that it should be wound up voluntarily.

2. David Robert Baxendale and Robert Jonathan Hunt of PricewaterhouseCoopers LLP, were appointed joint liquidators of the company for the purpose of the voluntary winding up.

3. Anything requested or authorised to be done by the joint liquidators can be done by both or either of them.

Creditors

At a meeting of creditors held on the same date, the creditors confirmed the appointment of David Robert Baxendale and Robert Jonathan Hunt as joint liquidators and agreed that anything required or authorised to be done by the joint liquidators could be done by both or either of them.

The meeting did not appoint a committee and therefore the general body of creditors approved the following resolutions:

1. That the liquidators' fees are to be fixed by reference to the time properly given by the liquidators and their staff in attending to the matters arising in the winding up, including time given by them and their staff to such matters before the liquidation commenced. These fees are to be paid as and when funds become available.

2. That, in accordance with Statement of Insolvency Practice 9, the liquidators be authorised to draw disbursements for services provided by their own firm in respect of photocopying at 3 pence per sheet copied, and in respect of mileage, at a maximum of 67 pence per mile (for vehicles up to 2,000cc) or 80 pence per mile (for vehicles over 2,000cc). All other disbursements are to be reimbursed at cost. The liquidators also reserve the right to increase the charges applicable to photocopying and mileage during the course of the liquidation; any material amendments will be advised to creditors in the next statutory report.

3. That the fees of PricewaterhouseCoopers LLP for preparing the statement of affairs and assisting with the meetings held under Section 98 of the Insolvency Act 1986 were fixed at £7,500 plus VAT and disbursements and are to be paid as a liquidation expense.

Before creditors approved the basis of the liquidators' remuneration, they were advised that the charge out rates of the various grades of staff who may be involved in this liquidation will be as follows:

Grade of Staff	Insolvency rate per hour £	Specialist rate per hour £
Partner	755	1,025
Director	660	940
Senior Manager	510	872
Manager	430	720
Executive	358	390
Analyst	225	165

It was explained that specialist departments within PricewaterhouseCoopers LLP, such as tax, VAT, property and pensions, sometimes charge a small number of hours should the liquidators require their expert advice. Their rates vary, however, the figures provided give an indication of the maximum rate per hour.

The creditors were also advised that the liquidators reserve the right to amend the charge out rates quoted from time to time during the course of the liquidation, and that any material amendments to the rates will be advised to creditors in the next statutory report.

Creditors

The liquidators will realise the assets of the company and deal with all creditors' claims. The liquidators will also investigate the affairs of the company prior to liquidation as part of their duties under the Company Directors Disqualification Act 1986. Creditors may already be aware that the liquidators have a statutory obligation to consider the directors conduct and to submit their findings to the Department for Business, Innovation & Skills. If creditors are aware of any matters in relation to any aspect of the liquidation that they consider the liquidators should be aware of, these should be brought to the attention of the liquidators as soon as possible.

To date, the liquidators are not aware of any preferential claims from employees.

Prior to the Company entering liquidation, Fixed Charge Receivers from BNP Paribas were appointed over the Company's properties to manage the developments and continue to deal with sales. The liquidators anticipate that surplus funds will be due from the Receivers. However, the exact quantum of surplus funds is uncertain at present. Therefore, it is too early to provide creditors with a realistic estimate of the dividend that will be paid.

If creditors have not already done so, they should complete and return the attached statement of claim form to the liquidators as soon as possible.

Creditors may also claim VAT bad debt relief once six months have elapsed following the due date of any unpaid invoices, and providing the debt has been written off in the creditors' books. Creditors are entitled to receive a dividend on the total amount of their claim, including VAT. However, if creditors receive a dividend they are required to account to HM Revenue and Customs for the VAT element of the dividend.

If creditors believe they either own or have a charge on any of the assets in the Company's possession, please contact Daniel Thiel at the liquidators' office so that the claim can be resolved as quickly as possible.

Dickens Heath Development Company Limited

Directors' report for the meeting of creditors to be held on 18 July 2012

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Note:

The directors of the company have asked us to assist in the preparation of this document to enable them to provide information intended to help creditors understand the company, its background, its financial affairs and its business.

The directors have provided the information this document contains. We have not carried out anything in the nature of an audit of this information or verified the existence of, or title to, the company's assets and liabilities.

We have discussed a draft of this report with the directors who have confirmed that there are no material errors or omissions.

This document should not be used for any purpose other than in connection with the creditors' meeting or by any party other than a creditor without our express permission in writing.

Statutory information

Company number	04319615
Date of incorporation	8 November 2001
Nature of business	Development and real estate
Current registered office	PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth, BH2 6HR
Previous registered office	22-23 Old Burlington Street, London, W1S 2JJ
Trading address	22-23 Old Burlington Street, London, W1S 2JJ
Tenure	Leasehold
Secured creditor (*include security details*)	Royal Bank of Scotland

Shareholders		**Issued**	**Paid up**
	Parkridge Holdings Limited	1 Ordinary share	

Directors in the previous three years		**Date of appt**	**Date of resignation**
	David Clements	17/01/2002	To date
	John Cutts	17/01/2002	To date
	Terence Hill	26/07/2006	07/01/2010
	Alan Stainforth	17/01/2002	07/06/2010

Company secretaries in the previous three years		**Date of appt**	**Date of resignation**
	Corin Winfield	23/10/2002	26/08/2011

Parent, subsidiary or associated companies	Parkridge Holdings Limited Parkridge Retail Limited Parkridge Land (Coventry) Limited Parkridge House Limited Parkridge Development Co Limited Parkridge (Aviation) Limited Parkridge Securities Limited Parkridge UK Business Centres Limited Parkridge Development Land Limited Parkridge Homes Limited

Company history

Dickens Heath Development Company Limited ("the Company") was incorporated on 8 November 2001 as a wholly owned subsidiary of Parkridge Holdings Limited ("PHL").

The business of the Company is that of residential and commercial property development.
The Waterside development consisted of 140 residential units and 16 commercial premises. Phase one of the Garden Square development contained 106 residential units and one commercial outlet.

Currently there are 2 apartments and 2 commercial premises available on the Waterside development and 12 residential units and a commercial outlet available on Garden Square.

As well as the completed properties, the Company also built a foundation slab and underground car park in preparation for the second phase of the Garden Square development. This asset is available for purchase and several residential property developers have been approached. Additionally, the Company is selling the ground rents for this total development.

Finally, the Company owns three commercial properties on Main Street, all of which have been leased on a commercial basis.

The valuation details for all the company's assets are contained within the directors' Statement of Affairs. The Company was financed by a loan from Royal Bank of Scotland plc ("RBS") and through loans from PHL.

Since early 2011, the Company was unable to service its bank debt due to the financial problems being encountered by its parent, PHL, which had been trying to find a new investor to refinance its debt.

In December 2010 the directors of PHL were contacted by HM Revenue & Customs ("HMRC") regarding unpaid tax liabilities from the companies within the Parkridge Group. A payment plan was put in place, as during this time, a private investor was on board to provide future loan facilities of £50 million for projects in the UK and Europe. However, despite contracts being signed, the funds failed to materialise.

In March 2011 a further deal was set up with a Ukrainian company to provide loan facilities. Whilst this deal was being made, Parkridge failed to make payments to HMRC and were threatened with liquidation proceedings. By August 2011 the bank accounts were frozen and administrators, PricewaterhouseCoopers LLP, were called in to deal with PHL.

As a result of this, all members of staff who were involved in the sale of the Company's properties were made redundant and RBS appointed BNP Paribas as fixed charge receivers to manage the development and continue with sales in order to reduce the outstanding debt.

With so few properties remaining, the directors of the Company resolved on 19th June 2012 to put the Company into a Creditors Voluntary Liquidation process as it was evident the Company was insolvent.

Company accounts

	Audited accounts at 31 December 2008 £	Audited accounts at 31 December 2007 £	Draft audited accounts at 31 December 2006 £
Balance sheet			
Tangible fixed assets	-	-	-
Current assets	14,483	21,337	38,119
Creditors falling due within one year	(43,135)	(31,741)	(44,331)
Creditors falling due after one year	-	(1,071)	-
Total assets less total liabilities	(28,652)	(11,475)	(6,212)
Capital and reserves			
Called up share capital	-	-	-
Share premium	-	-	-
Profit and loss account	(28,652)	(11,475)	(6,212)
Profit and loss account			
Turnover	1,670	19,959	13,502
Cost of sales	(15,995)	(23,082)	(15,002)
Gross profit	(14,325)	(3,123)	(1,500)
Administrative costs and expenses	(1,452)	(1,380)	(1,234)
Interest receivable/(payable)	(1,400)	(760)	(367)
Profit/(loss) before taxation	(17,177)	(5,263)	(3,101)
Tax on activities	-	-	-
Profit/(loss) after taxation	(17,177)	(5,263)	(3,101)
Dividends paid	-	-	-
Retained profit for the year	(17,177)	(5,263)	(3,101)
The figures above included directors emoluments as follows:	-	-	-
Date of the auditors' report	14/09/2010	19/05/2008	20/07/2007
Auditors report qualified	No	No	No