



To all known creditors

4 November 2015

Our ref: JS/LN/20151104/Greenlink/AM031

Dear Sirs

Greenlink Estates Limited – in administration (“the Company”)

I was appointed Joint Administrator of the Company on 26 May 2010, together with my colleague Stephen Andrew Ellis.

Pursuant to Rule 2.112(1) of the Insolvency Rules 1986, we set out below a summary of the events of the Administration to date, together with an update of events that have taken place since our last report dated 6 May 2015.

The Administrators are required to provide certain statutory information pursuant to Rule 2.47(1)(a) to (d) IR86, which is included in the Appendices detailed below.

Statutory and financial information

The Administrators enclose the following for your information:

- Appendix A Statutory information;
- Appendix B Administrators’ receipts and payments account to 7 October 2015;
- Appendix C Expenses incurred to 7 October 2015;
- Appendix D Administrators’ time costs to 7 October 2015 together with charge out rates for PricewaterhouseCoopers LLP;
- Form 2.24B Notice of the Administrators’ progress report.

Overview of the Administration

Information regarding the disposal of the Company’s assets has been provided to creditors in previous reports. This information is not repeated here for the purpose of this report.

The main issues outstanding at the last report were the potential interest rate mis-selling claim and the distributions to secured and unsecured creditors. An update on each of these is detailed below.

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Asset realisations

Total realisations in the Administration to date are summarised in the following table:

	£
Sale of apartment block at Crosby	998,120
Rental Income	171,283
Sale of House at Crosby	240,000
Sale of Oakleigh	700,000
Sale of Tall Trees	600,000
Deposit on Third plot	22,500
Sale of Third plot	450,000
SWAP redress funds	386,719
Total Realisations	3,568,622

Review of interest rate products and mis-selling claim

Prior to the Administration, the Company was sold two interest rate products by Clydesdale Bank Plc trading as Yorkshire Bank (“YB”). These products were subject to YB’s review of certain past sales of Interest Rate Hedging Products and Tailored Business Loans that has been agreed with the Financial Conduct Authority.

The review has concluded that the Company does have a mis-selling claim and a redress offer was received.

This offer of £386,719 was accepted in full and final settlement of the mis-sold interest rate products.

Receipts & payments account

Attached at Appendix B is an abstract of the receipts and payments up to 7 October 2015.

Expenses statement

A statement of the expenses incurred and paid by the Administrators in the period 8 April 2015 to 7 October 2015 is included at Appendix C. The statement excludes any potential tax liabilities that may be payable as an expense of the Administration. Amounts due will depend on the position at the end of the tax accounting period.

Administrators’ remuneration

The Administrators’ remuneration has been approved on a time costs basis in respect of floating charge funds by the secured creditors and by the general body of creditors. Remuneration in respect of fixed charge assets has also been agreed by the secured creditors. To date, fees of £359,500 have been drawn from the fixed charge funds. Further fees will be drawn in due course.



The time costs incurred from the Administrators' appointment to 7 October 2015 total £715,185. This represents 2,514 hours at an average hourly cost of £284.52. This amount does not necessarily reflect the amount that will be drawn as remuneration by the Administrators in due course. In accordance with the requirements of Statement of Insolvency Practice 9, a full analysis of the Administrators' time costs and Category 2 disbursements for the period 8 April 2015 to 7 October 2015 is also provided in Appendix D.

In addition, the Administrators have incurred post appointment disbursements of £3,485. Please see Appendix D for further breakdown. To date, disbursements of £2,379 have been drawn. Disbursements will be drawn in full.

Creditors' rights

Creditors have the right to ask for more information within 21 days of this report as set out in Rule 2.48A of the Insolvency Rules 1986. Any request must be in writing.

Creditors can also challenge fees and expenses within eight weeks of this report as set out in Rule 2.109. This information can also be found in the guide to fees at:

www.icaew.com/en/technical/insolvency/creditors-guides

Estimated outcome for creditors

Secured creditors

The Company's funding was provided by YB and Davenham Trust Plc ("Davenham"). At the time of the Administrators' appointment, the outstanding indebtedness due to the YB was £4.415m, excluding post-appointment interest and charges. This debt was secured by fixed and floating charges over all of the Company's assets.

Davenham also has a first fixed charge over Tall Trees and a floating charge which ranks behind the floating charge held by YB. At the time of the Administrators' appointment, the outstanding indebtedness due to Davenham was £1.73m, excluding post-appointment interest and charges.

Following the sales of the properties, interim distributions totalling £1,740,000 were made to YB, along with distributions totalling £714,165 to Davenham.

On 4 September 2015, YB's debt was sold by YB to Promontoria (Henrico) Limited which is an affiliate of Cerberus Global Investors ("Cerberus").

A further distribution is available under the floating charge and will be distributed in due cause. However, the secured creditors will not recover their outstanding indebtedness in full.

Preferential Creditors

Preferential claims arise in respect of unpaid wages and holiday pay for employees. All of the Company's employees were made redundant on appointment. There are no arrears of wages or holiday pay, therefore, no preferential claims are expected in the Administration.



Unsecured Creditors

According to the directors' statement of affairs, unsecured non-preferential creditors total £1.46m. The Administrators have formed the view that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than via the prescribed part.

Based on the floating charge realisations a potential prescribed part of up to £57k is available to unsecured creditors.

The final date for proving was 25 September 2015 and total claims admitted to date are approximately £283k.

The prescribed part dividend will be paid and declared in the next couple of weeks.

Exit from the Administration

Following distribution of the prescribed part from the Administration, the Administrators envisage that the Administration will be brought to an end by filing notice under Paragraph 84(1) Schedule B1 of the Insolvency Act 1986 with the Registrar of Companies, following which the Company will be dissolved three months later.

Future reporting

Pursuant to Rule 2.47 of IR86, the Administrators will provide creditors with a further report on the progress of the Administration in six months' time, or at the end of the Administration, whichever is sooner.

Should you have any further questions, please do not hesitate to contact my colleague, Clare Davison, on 0113 289 4062 or clare.n.davison@uk.pwc.com.

Yours faithfully
For and on behalf of the Company

A handwritten signature in blue ink, appearing to read 'Lyn Vardy', with a horizontal line extending to the right.

Lyn Vardy
Joint Administrator

Lyn Vardy and Stephen Andrew Ellis have been appointed as joint administrators of the Company to manage its affairs, business and property as its agents without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The joint administrators are Data Controllers of personal data as defined by the Data Protection Act 1998.

PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the administration. The joint administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

Court details for the Administration:	High Court of Justice, Chancery Division, Manchester District Registry, Number 1412 of 2010
Full name:	Greenlink Estates Limited
Trading name:	Greenlink Estates Limited
Registered number:	05588338
Registered address:	Benson House, 33 Wellington Street, Leeds, LS1 4JP
Company directors:	Colin Smith and John Brownley
Company secretary:	Colin Smith
Shareholdings held by the directors and secretary:	Colin Smith – 50 ordinary £1 shares (50%) John Brownley – 50 ordinary £1 shares (50%)
Date of the Administration appointment:	26 May 2010
Administrators' names and addresses:	Lyn Leon Vardy and Stephen Andrew Ellis, PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP
Appointor's / applicant's name and address:	Clydesdale Bank Plc t/a Yorkshire Bank, 30 St Vincent Place, Glasgow, G1 2HL
Objective being pursued by the Administrators:	Objective (b), 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 failing that (c), realising property in order to make a distribution to one or more secured or preferential creditors.
Division of the Administrators' responsibilities:	Pursuant to Paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, it is specified that the administrators, Lyn Vardy and Stephen Ellis are to act jointly and severally as administrators of the Company. It is intended that the Administrators will share the day to day management and control of the Administration. For the avoidance of doubt any act required or authorised under this enactment to be done by the Administrators may be done by Lyn Vardy and/or Stephen Ellis and/or any other persons holding the office of the Administrators.
Proposed end of the Administration:	Dissolution
Estimated dividend for unsecured creditors:	None
Estimated values of the prescribed part and the company's net property:	Net Property – £270k Prescribed Part – £57k
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	Not applicable
The European Regulation on Insolvency Proceedings (Council Regulation (EC) No.1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings.
Extensions to the Administration	<ul style="list-style-type: none"> • The secured creditors agreed to extend the Administration for a period of 6 months to 25 November 2011. • On 23 October 2011, the Court extended the Administration for a period of 12 months to 25 November 2012. • On 19 October 2012, the Court extended the Administration for a period of 12 months to 25 November 2013. • On 1 November 2013, the Court extended the Administration for a period of 12 months to 25 November 2014. • On 31 October 2014, the Court extended the Administration for a period of 12 months to 25 November 2015.

Greenlink Estates Limited - In administration
Administrators' receipts and payments account to 7 October 2015

Directors' Statement of Affairs	26 May 2010 to 7 April 2015	8 April 2015 to 7 October 2015	Total from 26 May 2010 to 7 October 2015
£	£	£	£
FIXED CHARGE REALISATIONS			
2,000,000 Crosby site	1,238,120	-	1,238,120
1,000,000 Deposit for third plot	472,500	-	472,500
1,000,000 Douglas Road site	-	-	-
Interest	1,792	-	1,792
100,000 Oakleigh site	700,000	-	700,000
Rental Income	171,283	-	171,283
Tall Trees site	600,000	-	600,000
	3,183,695	-	3,183,695
COST OF REALISATION / PAYMENTS			
Advertising (non-statutory) expenses	(325)	-	(325)
Agents' Fees	(46,691)	-	(46,691)
Bank charges	(72)	(24)	(96)
Cleaning and Site Clearance Costs	(1,680)	-	(1,680)
Corporation tax	-	(23,284)	(23,284)
Escrow funds held for third plot	(35,000)	-	(35,000)
Insurance	(20,495)	-	(20,495)
Land Registry Fee	(1,860)	-	(1,860)
Legal Fees	(91,962)	(14,741)	(106,703)
Management Charges	(2,820)	-	(2,820)
Office Holder's Expenses	(2,380)	-	(2,380)
Office Holder's Fees	(359,500)	-	(359,500)
Repairs and Maintenance	(14,319)	-	(14,319)
Security	(14,962)	-	(14,962)
Utilities	(1,711)	-	(1,711)
VAT Irrecoverable	(10,056)	-	(10,056)
VAT Receivable	(76,139)	(2,938)	(79,077)
	(679,973)	(40,987)	(720,960)
DISTRIBUTION TO CHARGEHOLDER - YB	(1,740,000)	-	(1,740,000)
DISTRIBUTION TO CHARGEHOLDER - DAVENHAM	(714,165)	-	(714,165)
BALANCE OF FIXED CHARGE FUNDS	49,557	(40,987)	8,570
FLOATING CHARGE REALISATIONS			
Refund	277	-	277
SWAP redress funds	-	386,719	386,719
	277	386,719	386,996
COST OF REALISATION / PAYMENTS			
Legal Fees and expenses	(2,130)	-	(2,130)
Mail re-direction	(104)	-	(104)
Room hire and meeting costs	(85)	-	(85)
Statutory Advertising	(147)	-	(147)
	(2,466)	-	(2,466)
BALANCE OF FLOATING CHARGE FUNDS	(2,189)	386,719	384,530
4,100,000 TOTAL BALANCE AT BANK	47,368	345,732	393,100

Greenlink Estates Limited - in administration
Expenses incurred to 7 October 2015 (Note 1)

	Unpaid expenses as at 7 April 2015	Incurred in this period	Expenses paid in this period	Unpaid expenses as at 7 October 2015
Office Holders' Fees (Note 2)	320,319	32,441	-	352,760
Office Holders' Expenses (Note 2)	580	527	-	1,106
Legal Fees	13,335	3,081	14,741	1,675
Corporation Tax	-	23,284	23,284	-
Total	334,234	36,049	38,025	355,541

Note 1 - Please note that this schedule provides an estimate of expenses incurred. Any balance that remains unpaid as at the date of this report is yet to be finalised and may therefore be subject to adjustments before final payment.

Note 2 - The accrued and unpaid Office Holders' Fees and Expenses are for the period 26 May 2010 to 7 October 2015. They include £2,988 from 10.45 hours previously not reported in error. It should be noted that these costs are unlikely to be recovered in full.

Greenlink Estates Limited - in administration

Analysis of time costs for the period from 8 April 2015 to 7 October 2015

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Secretarial	Total hours	Time cost £	Average hourly rate £
1 Strategy & Planning	-	-	0.05	2.80	0.70	2.20	1.30	7.05	1,618.75	229.61
2 Secured creditors	-	-	-	2.10	3.80	-	-	5.90	1,681.00	284.92
3 Assets	-	2.70	2.00	12.08	15.90	-	-	32.68	10,063.90	307.95
4 Creditors	-	-	0.85	10.50	2.80	3.00	15.50	32.65	6,119.75	187.43
5 Accounting and treasury	-	-	0.10	0.60	1.70	3.25	-	5.65	1,111.25	196.68
6 Statutory and compliance	-	-	1.50	2.41	7.90	12.55	0.10	24.46	5,422.50	221.69
7 Tax & VAT	-	-	0.30	3.10	11.33	15.00	-	29.73	6,359.75	213.92
Total for the period	-	2.70	4.80	33.59	44.13	36.00	16.90	138.12	32,376.90	234.41
Brought forward at 7 Apr 2015								2,375.51	682,808.03	287.44
Total								2,513.63	715,184.93	284.52

Current Charge out rates per hour	Administrators' staff	Specialist (max)	Set out here are the relevant charge-out rates per hour worked for the grades of the Administrators' staff actually or likely to be involved on this assignment. Time is charged by reference to actual work carried out on the assignment. There has been no allocation of any general costs or overhead costs. Specialist departments within the Administrators' firm, such as Tax, VAT and Pensions, do sometimes charge a small number of hours, should we require their expert advice. Their rates do vary, however, the figures shown give an indication of the maximum rate per hour. All staff who work on this assignment (including cashiers, support and secretarial staff) charge time directly to the assignment and are included within any analysis of time charged. Each grade of staff is allocated an hourly charge out rate which is reviewed from time to time. Work undertaken by cashiers, support and secretarial staff is charged for separately and is not included in the hourly rates charged by partners or other members of staff. Time is charged in units of not greater than 6 minutes. Time is charged by reference to actual work carried out on the assignment in 6 minute units. The minimum time chargeable is 3 minutes (i.e. 0.5 units).
Grade	£/hr	£/hr	
Partner	590	1190	
Director	490	1095	
Senior manager	425	835	
Manager	340	605	
Senior Associate (qualified)	255	445	
Senior Associate (unqualified)	185	-	
Associate	165	240	
Support Staff	87	140	

These rates reflect increases effective from 1 July 2015.

Explanation of work undertaken

Area of work	Work undertaken in period
Accounting and treasury	Bank reconciliations; accounting for receipts and payments in the Administration
Assets	Interest rate hedging products; liaising with the Bank, director of the Company and solicitors
Creditors	Claims agreement and completing the adjudication process; responding to creditor queries
Secured creditors	Liaising with the Bank
Statutory and compliance	Preparing, drafting and issuing previous report
Strategy & Planning	Internal case progression meetings; completing case reviews;
Tax & VAT	Reviewing Company tax position and implications of interest rate hedging products

Disbursements for services provided by the Administrators' own firm (Category 2 disbursements) from 8 April 2015 to 7 October 2015

Photocopying	At 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying	£ 18.88
	Other disbursements are charged at cost	508.00
	Balance brought forward from previous report	2,958.59
	Total disbursements from appointment to 7 October 2015	3,485.47

Administrator's progress report**2.24B**

Name of Company Greenlink Estates Limited	Company Number 05588338
In the High Court of Justice, Chancery Division, Manchester District Registry	Court case number 1412 of 2010

We, Lyn Vardy and Stephen Andrew Ellis of PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP

administrators of the above company attach a progress report for the period


from

to

8 April 2015

7 October 2015

Signed



Joint Administrator

Dated

4 November 2015