



**Fourth progress report to members & creditors**

**26 May 2016**

**Company**                      **Parkridge Holdings Limited - in Liquidation**

**Registered Number**        **06064315**

**Registered address**        **Benson House  
33 Wellington Street  
Leeds  
LS1 4JP**

**Type of Insolvency**        **Creditors' Voluntary Liquidation**

**Date of Appointment**      **28 March 2012**

**Appointees**                 **Robert Hunt and David Matthew Hammond**

**Address**                      **PricewaterhouseCoopers LLP  
Benson House  
Wellington Street  
Leeds  
LS1 4JP**

<b>Dividend Prospects</b>	<b>Paid p in £</b>	<b>Previous estimate p in £</b>
Preferential	100	100
Unsecured	1.9	1.9

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# ***Parkridge Holdings Limited – in liquidation***

**For the period from 28 March 2015 to 27 March  
2016**

[www.pwc.co.uk/parkridge](http://www.pwc.co.uk/parkridge)

26 May 2016





**To all known members and creditors**

26 May 2016

Dear Sir/Madam

**Parkridge Holdings Limited – in liquidation (“the Company”)**

This is our fourth progress report to members and all known creditors in the above liquidation for the period 28 March 2015 to 27 March 2016.

If you have any queries in connection with this report, please contact Leanne Wall on 0113 289 4917.

Yours faithfully

A handwritten signature in black ink, appearing to read 'R Hunt', is positioned above the printed name of the signatory.

Robert Hunt  
Joint liquidator

*Robert Jonathan Hunt and David Matthew Hammond have been appointed as joint liquidators of the Company. Both are licensed in the United Kingdom to act as an Insolvency Practitioner 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 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 liquidation.*

## ***Definitions used in this report***

<b>Definition used</b>	<b>Term</b>
the Company	Parkridge Holdings Limited
the Liquidators	
we	Robert Hunt and David Matthew Hammond
our	
IR86	Insolvency Rules 1986
IA86	Insolvency Act 1986
RBS	Royal Bank of Scotland
Prologis	Prologis Germany X P.V
PwC	PricewaterhouseCoopers LLP
ICAEW	Institute of Chartered Accountants in England and Wales

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# 1. Introduction

## 1.1. Why we're sending you this report

This is our fourth annual progress report to members and creditors. It will help if you read this alongside our previous progress reports which can be found at [www.pwc.co.uk/parkridge](http://www.pwc.co.uk/parkridge).

This report provides a summary of:

- The steps taken during the fourth year of the liquidation;
- Outstanding matters; and
- Details of the outcome of the liquidation for creditors.

In Section 2 we provide more detailed information on what we've been doing during the period covered by this report and in Section 3 we provide information as to what the outcome for creditors might be.

By law, we have to give you certain statutory information, which is included in Appendix A.

## 1.2. Dividends paid

The following table is a summary of the outcome for preferential and unsecured creditors, which has now been achieved.

Class of creditor	% Recovery
<b><i>For preferential creditors:</i></b> i.e. former employees (for unpaid wages up to £800 and holiday pay only) and unpaid pension contributions in certain circumstances:	100%
<b><i>For unsecured creditors:</i></b> i.e. all other creditors who are neither secured nor preferential:	1.91%

The Company has two secured creditors and we explain later the likely outcome for both of them.

## 2. Progress made during the period

### 2.1. Assets realisations

The following table is a reminder of the current position on asset realisations in the liquidation. All these assets were realised in earlier periods.

	Actual realisations £	Estimated to realise per the statement of affairs* £
<b>Assets not specifically pledged to a creditor(s)</b>		
Intangible assets	13.72	-
Funds from the administration	940,085.11	-
Intercompany debtors	111,293.49	-
Interest received gross	4,068.24	-
Reimbursement of costs paid during the administration	958.87	-
	<u>1,056,419.43</u>	<u>-</u>

\* No statement of affairs provided in the liquidation since the details were provided in the administration.

### 2.2. Intercompany claims and dividends received

We have previously reported on the various outstanding debts that are due to the Company from several associated companies.

A dividend is expected from Dickens Heath Development Company Limited which is in liquidation. However, the timing of this is unknown as it is dependent upon property sales.

We no longer expect that there will be any recovery from a subsidiary company in Bulgaria. This due to action taken by the authorities in Bulgaria.

Total intercompany dividends received to date are £1,414,091.85 of which £111,293.49 has been received whilst the Company was in liquidation. By comparison, the directors' statement of affairs estimated realisations from intercompany accounts would be in the region of £1.5 million.

We do not expect to receive any further dividends other than those mentioned above.

### 2.3. Statutory and compliance

As previously reported, the Company was deregistered for VAT on 1 September 2012. Any additional amounts of VAT paid since deregistration are reclaimed periodically.

Annual corporation tax returns continue to be prepared and submitted to HMRC.

All other statutory matters are completed on an ongoing basis and further information is included in Appendix C.

## 3. Outcome for creditors

### 3.1. Secured creditors

The Company has two secured creditors as shown below:

Secured creditor	Initial debt*	Security
RBS	£15m	First ranking fixed and floating
Prologis	£80m	Second ranking fixed and floating

*\*debt at the commencement of the preceding administration appointment*

As previously reported, £200,000 was distributed to RBS in the administration. In addition, Prologis recovered c.£13 million directly from an inter-company debtor. However, we anticipate that both secured creditors will suffer a shortfall under their security, the level of which is dependent on the future asset realisations discussed earlier.

### 3.2. Preferential creditors (mainly employees)

As previously reported, preferential creditors have been paid in full. Total claims amounted to £23,844.80.

### 3.3. Unsecured creditors

The prescribed part is a fund that has to be made available for unsecured creditors. It's paid out of "net property". Net property is floating charge realisations after costs, and after paying - or setting aside enough to pay - preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

The prescribed part applies in this case as there is a floating charge created after 15 September 2003.

The amount of the prescribed part is:

- 50% of net property up to £10,000;
- 20% of net property above £10,000; but
- Subject to a maximum of £600,000.

Unsecured creditors have benefited from the maximum prescribed part of £600,000. A first and final dividend of 1.91 pence in the £ was paid on 28 January 2014 to those whose claims had been admitted.

No further distributions are expected.



## ***4. Liquidators' fees and other financial information***

### ***4.1. Our fees***

During the administration, the secured and preferential creditors passed a resolution fixing the administrators' fees by reference to time properly given by the administrators and their staff in dealing with the administration.

Under insolvency legislation, the fee basis in the administration continues to apply in the liquidation. This means that our fees as liquidators will be calculated by reference to time properly given by the liquidators and their staff in dealing with the liquidation.

From 28 March 2015 to 27 March 2016, we have incurred time costs of £21,550.30 for 75 hours work, which equates to an average hourly rate of £287.53. The average hourly rate in our last progress report was £248.

We include details of the time costs incurred from 28 March 2015 to 27 March 2016, by work type, at Appendix C.

From the approved fees of £130,301, we have drawn £12,508 and will draw further fees in due course.

Further details of our fees are included in Appendix C, together with details of work that has been subcontracted in the period.

### ***4.2. Our disbursements***

We've incurred disbursements of £18 during the period 28 March 2015 to 27 March 2016 and we've drawn £12 to date. Further details are provided in Appendix C.

### ***4.3. Creditors' rights***

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 4.49E IR86. Any request must be in writing. Creditors can also challenge the liquidators' fees and expenses within eight weeks of receiving this report as set out in Rule 4.131 IR86. This information can also be found in the guide to fees at:

<http://www.icaew.com/~media/corporate/files/technical/insolvency/creditors%20guides/creditors%20guide%20liquidators%20fees%20final.ashx>

You can ask for a copy free of charge by calling Leanne Wall on 0113 289 4917.

### ***4.4. Receipts and payments account***

A receipts and payments account for the period 28 March 2015 to 27 March 2016 is provided in Appendix B.

### ***4.5. Statement of expenses***

A statement of expenses for the period 28 March 2015 to 27 March 2016 is provided in Appendix D.

This statement doesn't include any tax liabilities that may be payable for the period of this report as this will depend on the position at the end of the accounting period.

# Appendix A. - Statutory and other information

<b>Name of company:</b>	<b>Parkridge Holdings Limited – in liquidation</b>
Registered number:	06064315
Registered office:	Benson House, 33 Wellington Street, Leeds, LS1 4JP
Former company names:	N/A
Trading names:	Parkridge Holdings Limited
Names of liquidators and their address:	Robert Jonathan Hunt and David Matthew Hammond both of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT
Date of liquidators appointment:	28 March 2012
Details of change in liquidators:	N/A
Details of prior administration:	Robert Jonathan Hunt and David Matthew Hammond were appointed as administrators of Parkridge Holdings Limited on 24 August 2011.
Estimated dividend for preferential creditors:	As previously reported, preferential creditors have been paid in full. Total claims amounted to £23,844.80.
Estimated dividend for unsecured creditors:	As previously reported, unsecured creditors have benefited from the maximum prescribed part of £600,000. A first and final dividend of 1.91 pence in the £ was paid on 28 January 2014 to those whose claims had been admitted.  It is not anticipated that any other distribution to unsecured creditors will take place.
Estimated values of the Company's net property and prescribed part:	Net property: £3 million Prescribed part: £600,000 (maximum)
Whether and why the liquidators intend to apply to court under Section 176A(5) IA86:	N/A

# Appendix B. - Receipts and payments account for the period 28 March 2015 to 27 March 2016

Directors' statement of affairs	28 March 2012 to 27 March 2015	28 March 2015 to 27 March 2016	Total 28 March 2012 to 27 March 2016	Estimated Future Transactions	Estimated Final Outcome
(£)	(£)	(£)	(£)		
<b>Assets subject to fixed charges</b>					
<b>Receipts</b>					
None	-	-	-	-	-
	-	-	-	-	-
<b>Assets subject to floating charge</b>					
<b>Receipts</b>					
Pre-appointment VAT refund	41,716.41	-	41,716.41	-	41,716.41
Intangible assets	13.72	-	13.72	-	13.72
Funds from the administration	940,085.11	-	940,085.11	-	940,085.11
Intercompany debtors	111,293.49	-	111,293.49	1,126,000.00	1,237,293.49
Interest received gross	4,068.24	-	4,068.24	-	4,068.24
Reimbursement of costs paid during the administration	958.87	-	958.87	-	958.87
	<b>1,098,135.84</b>	-	<b>1,098,135.84</b>	1,126,000.00	2,224,135.84
<b>Payments</b>					
Storage costs	973.46	243.36	1,216.82	-	1,216.82
Corporation Tax / Income Tax	-	179.67	179.67	-	179.67
Office holder's fees - administration (time cost basis)	200,000.00	-	200,000.00	86,000.00	286,000.00
Office holder's expenses - administration	1,302.04	-	1,302.04	-	1,302.04
Office holder's fees for payment of prescribed part dividend (time cost basis)	12,508.00	-	12,508.00	-	12,508.00
Office holder's expenses for payment of prescribed part dividend	12.00	-	12.00	-	12.00
Office holder's fees - liquidation (time cost basis)	-	-	-	164,000.00	164,000.00
Office holder's expenses - liquidation	-	-	-	1,000.00	1,000.00
Statutory advertising	222.62	-	222.62	-	222.62
Legal fees & expenses	25,194.99	-	25,194.99	28,000.00	53,194.99
Pre-administration fees	50,000.00	-	50,000.00	-	50,000.00
Pre-administration expenses	824.83	-	824.83	-	824.83
Bank charges	42.50	25.00	67.50	-	67.50
Closure expenses	-	-	-	27,234.58	27,234.58
Distribution to preferential creditors - National Insurance Fund (100 p in the £, paid 14 January 2013)	3,535.12	-	3,535.12	-	3,535.12
Distribution to preferential creditors - Employees (100 p in the £, paid 14 January 2013)	20,309.68	-	20,309.68	-	20,309.68
Distribution to secured creditor	-	-	-	1,020,000.00	1,020,000.00
Distribution to unsecured creditors (1.9 pence in the £, paid 28 January 2014)	582,527.99	-	582,527.99	-	582,527.99
	<b>897,453.23</b>	<b>448.03</b>	<b>897,901.26</b>	1,326,234.58	2,224,135.84
Net balance	<b>200,682.61</b>	<b>(448.03)</b>	<b>200,234.58</b>	<b>(200,234.58)</b>	-
Net VAT (receivable)/payable	(10,971.18)	10,947.03	(24.15)	24.15	-
<b>Balance in hand (deposited in interest bearing account)</b>	<b>189,711.43</b>	<b>10,499.00</b>	<b>200,210.43</b>	<b>(200,210.43)</b>	-

# Appendix C. - Details of our remuneration and disbursements and other professional costs

## Liquidators' charging policy

The basis of our fees and certain disbursements was agreed in the prior administration by the secured and preferential creditors and has transferred across to the liquidation in accordance with IR86.

The time charged to the liquidation is by reference to the time properly given by our staff and us in attending to matters arising.

It is our policy to delegate tasks in the liquidation to appropriate members of staff, considering their level of experience and any requisite specialist knowledge needed and they are supervised accordingly to maximise the cost effectiveness of the work performed.

Our junior people have done the routine work in the liquidation to keep the costs down. But we and our senior staff have supervised them and we have dealt with any complex or significant matters ourselves.

## Narrative of key areas of work carried out for the period 28 March 2015 to 27 March 2016

Later in this appendix we have included an analysis of the work performed during the year. The following table provides further explanation on the key areas of work.

Area of work	Activities completed
<b>Strategy and planning</b>	Internal team briefings on case progression
<b>Statutory and compliance</b>	Preparing and circulating the annual reports to creditors Regular internal case reviews
<b>Assets</b>	Liaising with group companies regarding intercompany dividends
<b>Accounting and treasury</b>	Periodic bank reconciliations Arranging payment of costs of the liquidation Re-issuing uncashed cheques for dividends
<b>Creditor claims and distribution</b>	Dealing with creditor enquiries
<b>Tax/VAT/Pensions</b>	Preparing and submitting tax returns Reconciling the VAT position of the Company

## Financial benefit

Our work in the period has been to continue to pursue the outstanding intercompany debts for the benefit of the secured creditors. The preferential and unsecured creditors have already received the dividends available to them from the Company's assets.

In addition, we have complied with our statutory duties (including post appointment tax and VAT returns) that do not add value to the estate but are necessary functions during the administration.

## Hourly rates

In common with all professional firms, scale rates increase from time to time over the period of the administration of each insolvency case. PwC, or any successor firm, reserves the right to change the rates and grade structures. During the period covered by this report the charge out rates were increased on 1 July 2015.

Set out below are the relevant maximum charge-out rates per hour worked for the grades of staff actually involved on this assignment. 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. Time is charged by reference to actual work carried out on the assignment in six minute units. The minimum time charged is three minutes (i.e. 0.5 units). There was no allocation of any general costs or overhead costs.

Specialist departments with our firm, such Tax, VAT, Property and Pensions were also used where expert advice was required. Such specialist rates do vary but the figures below provide an indication of the maximum rate per hour:

Grade	Maximum rate per hour (from 1 July 2014) (£)	Maximum rate per hour (from 1 July 2015) (£)	Specialist maximum rate per hour (£)
Partner	575	590	1190
Director	480	490	1115
Senior Manager	415	425	1110
Manager	330	340	665
Senior Associate (qualified)	250	255	490
Senior Associate (non-qualified)	180	185	490
Associate	160	165	240
Support staff	85	87	170

## Our relationships

We have had 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.

## Disbursements for services provided by our firm (Category 2 disbursements)

Our firm's expenses policy allows for all properly incurred expenses to be recharged to the case. Disbursements were charged to the assignment as follows:

<b>Photocopying</b>	At 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.
<b>Mileage</b>	At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc).

## Our disbursements in the period 28 March 2015 to 27 March 2016

We have incurred the following disbursements (excluding VAT) in the period 28 March 2015 to 27 March 2016

Category	Policy	Incurred in the period (£)
1	Reimbursed at cost	1.00
2	Photocopying – at 5 pence per sheet copied, only charged for circulars to creditors or other bulk copying.	17.00
2	Mileage – at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc).	-
<b>Total</b>		<b>18.00</b>

The statement of expenses at Appendix D shows the overall position in relation to our disbursements.

## Other professional advisors we've used

A summary of legal and other professional firms and subcontractors instructed in the period 28 March 2015 to 27 March 2016 is below:

Name of firm / organisation	Service provided	Reason selected	Basis of fees	Amount paid in period (£)
Wragge & Co	Legal advice	Specialist knowledge and expertise	Time costs plus disbursements	Nil
Iron Mountain (UK) Limited	Storage of books and records	Facilities available	Industry rates	243.36
Mitie	Photocopying	Facilities available	Unit price	See above disbursements

Our choice was based on the advisers' experience, the complexity and type of work and the basis of the fee arrangement. We're satisfied that the fees charged are reasonable.

## Analysis of our time costs by grade and work area from 28 March 2015 to 27 March 2016

Aspect of assignment		Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Secretarial	Total hours	Time cost £	Average hourly rate £
1	Strategy & Planning	-	1.25	0.75	0.50	1.75	0.85	0.90	6.00	1,956.05	326.01
2	Assets	-	8.25	-	-	-	-	-	8.25	4,012.50	486.36
3	Creditors	-	-	-	-	1.25	-	-	1.25	313.75	251.00
4	Accounting and treasury	-	-	0.50	0.50	3.30	5.55	-	9.85	2,076.50	210.81
5	Statutory and compliance	-	-	-	11.10	10.25	10.45	-	31.80	7,956.50	250.20
6	Tax & VAT	-	0.10	-	2.80	13.90	1.00	-	17.80	5,235.00	294.10
Total for the period		-	9.60	1.25	14.90	30.45	17.85	0.90	74.95	21,550.30	287.53
Brought forward at 27 Mar 2015									477.51	115,732.88	
Total									552.46	137,283.18	

## Time costs summary and estimate to closure as of 27 March 2016

	Aspect of assignment	Total hours	Time cost £	Average hourly rate £	Estimated future hours	Estimated future costs £	Estimated total cost £	Average hourly rate £
1	Strategy & Planning	44.05	12,678.80	287.83	8.00	2,302.62	14,981.42	287.83
2	Administration	8.75	3,384.80	386.83	-	-	3,384.80	386.83
5	Assets	36.35	18,491.25	508.70	8.00	4,069.60	22,560.85	508.70
6	Investigations	8.40	1,650.80	196.52	-	-	1,650.80	196.52
7	Reporting to appointer / committee	1.60	704.20	440.13	-	-	704.20	440.13
8	Creditors	111.30	24,360.30	218.87	4.00	875.48	25,235.78	218.87
9	Accounting and treasury	67.05	13,183.66	196.62	15.00	2,949.36	16,133.02	196.62
10	Statutory and compliance	156.06	26,142.57	167.52	40.00	6,700.65	32,843.22	167.52
11	Tax / VAT / Pensions	115.90	36,136.45	311.79	20.00	6,235.80	42,372.25	311.79
12	Employees	1.05	170.35	162.24	-	-	170.35	162.24
13	Closure procedures	1.95	380.00	194.87	8.00	1,558.97	1,938.97	194.87
<b>Total for the period</b>		<b>552.46</b>	<b>137,283.18</b>	<b>255.99</b>	<b>103.00</b>	<b>24,692.49</b>	<b>161,975.67</b>	<b>255.99</b>

The above cost estimates are based on the assumption that final dividends will be received and the case closed within the next 12 months. They are therefore subject to change.



## Appendix D. - Statement of expenses for the period 28 March 2015 to 27 March 2016

	Total expenses incurred brought forward from 27 March 2015 (£)	Total expenses paid to 27 March 2016 (£)	Expenses outstanding at 27 March 2016 (£)	Expenses incurred in the period (£)	Total expenses incurred to 27 March 2016 (£)
Storage costs	973.46	1,216.82	-	243.36	1,216.82
Office holder's fees - administration (time cost basis)	286,812.00	200,000.00	86,812.00	-	286,812.00
Office holder's expenses - administration	1,333.98	1,302.04	31.94	-	1,333.98
Office holder's fees for payment of prescribed part dividend (time cost basis)	17,396.00	12,508.00	4,888.00	-	17,396.00
Office holder's expenses for payment of prescribed part dividend	12.00	12.00	-	-	12.00
Office holder's fees - liquidation (time cost basis)	115,732.88	-	137,283.18	21,550.30	137,283.18
Office holder's expenses - liquidation	853.01	-	871.01	18.00	871.01
Statutory advertising	222.62	222.62	-	-	222.62
Legal fees & expenses	25,194.99	25,194.99	-	-	25,194.99
Pre-administration fees	50,000.00	50,000.00	-	-	50,000.00
Pre-administration expenses	824.83	824.83	-	-	824.83
Bank charges	42.50	67.50	-	25.00	67.50
	<b>499,398.27</b>	<b>291,348.80</b>	<b>229,886.13</b>	<b>21,836.66</b>	<b>521,234.93</b>