
Joint liquidators' progress report
from 28 March 2018 to 27 March
2019

***Parkridge Holdings Limited
(in liquidation)***

7 May 2019

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Abbreviations and definitions

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

Abbreviation or definition	Meaning
Company	Parkridge Holdings Limited
the Liquidators we our	Robert Jonathan Hunt and David Matthew Hammond (to 8 November 2016) David Robert Baxendale and David Matthew Hammond (from 8 November 2016 to date)
the firm or PwC	PricewaterhouseCoopers LLP
Dickens Heath	Dickens Heath Development Company Limited – in Liquidation
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
CVL	Creditors' voluntary liquidation
HMRC	HM Revenue & Customs
prescribed part	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
secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
preferential creditors	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
Prologis	Prologis Germany X P.V
RBS	Royal Bank of Scotland
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy, which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
unsecured creditors	Creditors who are neither secured nor preferential

Key messages

Why we've sent you this report

We're writing to update you on the progress of the liquidation of Parkridge Holdings Limited in the 12 months since our last report dated 25 May 2018.

This is our seventh progress report. You can still view our earlier reports on our website at www.pwc.co.uk/parkridge. This report includes brief details of our previous work in the liquidation and only where beneficial or necessary for the purposes of this update.

How much creditors may receive

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 (paid)	100.00	100.00
Unsecured creditors (paid)	1.91	1.91

**Please note this guidance on dividends is only an indication and should not be used as the main basis of any bad debt provision or debt trading.*

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

What you need to do

This report is for your information and you don't need to do anything.

Brief history of the liquidation

As previously reported, Robert Jonathan Hunt and David Matthew Hammond of PricewaterhouseCoopers LLP were appointed joint administrators of the Company on 24 August 2011. The administration ended on 28 March 2012, when the Company went into CVL and the administrators were appointed as liquidators. David Robert Baxendale subsequently replaced Robert Jonathan Hunt on 8 November 2016 as joint liquidator.

When the Company entered into liquidation, the key matters for the Liquidators to deal with were as follows:

- The receipt of a dividend due from an associated company in liquidation (Dickens Heath), which was dependent on property sales within that company; and
- The recovery of additional funds due from other related companies, which were also in liquidation. These were also dependent on the level of realisations in those companies.

This is our seventh progress report. You may wish to refer to our previous reports which can be found at www.pwc.co.uk/parkridge. As explained in those reports, we have realised dividends from several other insolvent subsidiaries, as follows:

- £14,543 from Parkridge Coalville Limited;
- £50,327 from Parkridge (Shires Gateway) Limited;
- £46,423 from Parkridge Retail Limited; and
- £147,914 from Parkridge Droitwich Limited.

We remain in office in order to receive a dividend that is due from Dickens Heath. An update on this matter is given later.

Outcome for creditors

Secured creditors

The Company has two secured creditors, as shown below:

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

**Debt at the commencement of the preceding administration appointment*

As previously reported, some £200,000 was distributed to RBS during the course of the administration and £150,000 was distributed to RBS during the course of the liquidation.

We have distributed a further £300,000 to RBS during the period of this report.

Additionally, Prologis have recovered c.£13m 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 realisation of the dividend due from Dickens Heath.

Preferential creditors (mainly employees)

Preferential creditors were paid in full in earlier in the liquidation. Total claims amounted to £23,844.80.

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. 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; and
- Subject to a maximum of £600,000.

Unsecured creditors have benefited from the maximum prescribed part of £600,000. After costs (as shown on the enclosed receipts and payments account) a first and final dividend of 1.91 pence in the pound was paid on 28 January 2014 to those creditors whose claims had been admitted.

No further distributions are expected, as any further realisations will not repay the secured creditors in full.

Progress since we last reported

Realisation of assets

The following table shows the current position on asset realisations in the liquidation.

	Actual realisations £	Estimated to realise per the statement of affairs* £
Assets not specifically pledged to a creditor(s)		
Intangible assets	13.72	-
Funds from the administration	940,085.11	-
Intercompany debtors	712,082.19	-
Interest received gross	4,229.58	-
Reimbursement of costs paid during the administration	1,013.27	-
	1,657,423.79	-

* No statement of affairs was provided in the liquidation. It was provided at the start of the administration.

Intercompany claims and dividends received

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

We explained that a dividend was expected from Dickens Heath, however we were unsure on the timing as it is was dependent upon property sales.

During the period of this report, we have received an interim dividend of £452,875 from Dickens Heath, as shown on our receipts and payments account at Appendix A. We are still awaiting a final dividend from Dickens Heath, the timing of which is uncertain.

Total intercompany dividends received to date are £2,014,880.55 of which £712,082.19 has been received whilst the Company has been in liquidation. By comparison, the directors' statement of affairs (in the administration) 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 the final dividend from Dickens Heath, as mentioned above.

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.

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 28 March 2018 to 27 March 2019.

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.

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:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/creditors-guide-liquidators-fees-final.ashx?la=en>

You can also get a copy free of charge by telephoning Matthew Duckworth on 0113 289 4916.

What we still need to do

As reported above, we remain in office in order to receive the final dividend due to the Company from Dickens Heath. The liquidation can then be brought to an end, which will include a final distribution to RBS, discharging costs of the liquidations and complying with our final obligations in relation to the Company's VAT and tax affairs.

Next report

We expect to send our next report to creditors at the end of the liquidation or in about 12 months, whichever is the sooner.

If you've got any questions, please get in touch with Matthew Duckworth on 0113 289 4916.

Yours faithfully



David Baxendale

Joint liquidator

David Robert Baxendale 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 may act as Data 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.

Appendix A: Receipts and payments

Directors' statement of affairs (£)		28 March 2012 to 27 March 2018 (£)	28 March 2018 to 27 March 2019 (£)	Total to 27 March 2019 (£)
	Assets subject to fixed charges			
	Receipts			
-	None	-	-	-
		0.00	0.00	0.00
	Assets subject to floating charge			
	Receipts			
-	Pre-appointment VAT refund	41,716.41	-	41,716.41
-	Intangible assets	13.72	-	13.72
-	Funds from the administration	940,085.11	-	940,085.11
-	Intercompany debtors	259,207.44	452,874.75	712,082.19
-	Interest received gross	4,145.63	83.95	4,229.58
-	Reimbursement of costs paid during the administration	1,013.27	-	1,013.27
		1,246,181.58	452,958.70	1,699,140.28
	Payments			
-	Storage costs	1,216.82	-	1,216.82
-	Corporation Tax / Income Tax	179.67	-	179.67
-	Office holders' fees - administration (time cost basis)	200,000.00	-	200,000.00
-	Office holders' expenses - administration	1,302.04	-	1,302.04
-	Office holders' fees for payment of prescribed part dividend (time cost basis)	12,508.00	-	12,508.00
-	Office holders' expenses for payment of prescribed part dividend	12.00	-	12.00
-	Office holders' fees - liquidation (time cost basis)	100,000.00	50,000.00	150,000.00
-	Statutory advertising	222.62	-	222.62
-	Legal fees & expenses	25,194.99	-	25,194.99
-	Pre-administration fees	50,000.00	-	50,000.00
-	Pre-administration expenses	824.83	-	824.83
-	Bank charges	95.17	-	95.17
-	Distribution to preferential creditors - National Insurance Fund (100 p in the £, paid 14 January 2013)	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
-	Distribution to secured creditor	150,000.00	300,000.00	450,000.00
-	Prescribed part distribution to unsecured creditors (1.9 pence in the £, paid 28 January 2014)	582,527.99	-	582,527.99
		1,147,928.93	350,000.00	1,497,928.93
	Net balance	98,252.65	102,958.70	201,211.35
	Net VAT (receivable)/payable	(19,987.73)	20,024.15	36.42
-	Balance in hand (deposited in interest bearing account)	78,264.92	122,982.85	201,247.77

Notes:

- No statement of affairs has been provided in the liquidation
- Office holders' fees are shown on a time cost basis
- Receipts are shown net of VAT

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as liquidators from the estate and include our fees, but exclude 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.

	Total expenses incurred brought forward from 28 March 2018 (£)	Expenses incurred in this period (£)	Total expenses to 27 March 2019 (£)	Total expenses paid to 27 March 2019 (£)	Expenses outstanding at 27 March 2019 (£)
Storage costs	1,216.82	-	1,216.82	(1,216.82)	-
Office holder's fees - administration (time cost basis)	286,812.00	-	286,812.00	(200,000.00)	86,812.00
Office holder's expenses - administration	1,333.98	-	1,333.98	(1,302.04)	31.94
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)	171,387.73	11,364.20	182,751.93	(150,000.00)	32,751.93
Office holder's expenses - liquidation	1,491.66	28.76	1,520.42	-	1,520.42
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	95.17	-	95.17	(95.17)	-
	551,099.80	11,392.96	562,492.76	(441,376.47)	121,116.29

Appendix C: Remuneration update

During the administration, the secured and preferential creditors fixed the basis of the administrators' fees by reference to time properly given by the administrators and their staff in dealing with the administration.

The fee basis agreed in the administration continues to apply in the liquidation. This means that our fees as liquidators are calculated by reference to time properly given.

The time cost charges incurred in the period covered by this report are £11,364.20. 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

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Secretarial	Total hours	Time cost £	Average hourly rate £
Strategy & Planning	-	2.00	-	-	0.50	0.70	0.20	3.40	1,828.40	537.76
Secured creditors	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Assets	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	0.30	-	0.30	36.50	121.67
Accounting and treasury	-	-	-	0.30	1.20	2.83	0.30	4.63	989.05	213.62
Statutory and compliance	-	0.25	0.60	8.90	2.25	6.75	-	18.75	5,463.50	291.39
Tax & VAT	-	-	-	2.80	2.10	4.05	-	8.95	3,046.75	340.42
Employees & pensions	-	-	-	-	-	-	-	-	-	-
Pre-appointment work	-	-	-	-	-	-	-	-	-	-
Closure procedures	-	-	-	-	-	-	-	-	-	-
Total for the period	-	2.3	0.6	12.0	6.1	14.6	0.5	36.03	11,364.20	315.41
Brought forward at 27 Mar 2018								599.57	171,387.73	
Total								635.60	182,751.93	

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 hours). 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.

Grade	Up to 30 June 2018 £	From 1 July 2018 £
Partner	620	890
Director	525	780
Senior manager	450	590
Manager	355	510
Senior associate – qualified	268	425
Senior associate – unqualified	196	315
Associate	175	265
Support staff	92	135

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.

Grade	Up to 30 June 2018 £	From 1 July 2018 £
Partner	1,315	1,445
Director	1,210	1,210
Senior manager	1,230	1,230
Manager	735	735
Senior Associate / consultant	545	545
Associate / assistant consultant	270	270
Support staff	160	160

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 during the period of 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.

Area of work	Work undertaken	Why the work was necessary and any financial benefit to creditors
Accounting & Treasury	<ul style="list-style-type: none">• Periodic bank reconciliations;• Re-issuing uncashed cheques for dividends;• Recording receipts; and• Processing payments.	<ul style="list-style-type: none">• To ensure proper management of case funds.
Assets	<ul style="list-style-type: none">• Realisation of the interim dividend from Dickens Heath.	<ul style="list-style-type: none">• For the benefit of RBS.
Creditors	<ul style="list-style-type: none">• Dealing with general creditor enquires; and• Liaising with RBS in relation to fee approval and distributions.	<ul style="list-style-type: none">• To ensure all creditors are kept up to date in relation to the progress of the liquidation.
Strategy & Planning	<ul style="list-style-type: none">• Internal team briefings on case progression.	<ul style="list-style-type: none">• To ensure orderly management and progression of the case in a cost effective manner.
Statutory & Compliance	<ul style="list-style-type: none">• Regular internal case reviews; and• Preparing and circulating the annual report to creditors.	<ul style="list-style-type: none">• To comply with statutory and other obligations placed on us.
Tax	<ul style="list-style-type: none">• Preparing and submitting tax returns.	<ul style="list-style-type: none">• In compliance with duties as proper officers for tax.

Our future work

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

Area of work	Work we need to do	Whether or not the work will provide a financial benefit to creditors
Strategy & Planning	<ul style="list-style-type: none">• Holding team meetings and discussions regarding the status of the liquidation;• Clearances from external parties prior to the closure of the liquidation; and• Closure of internal systems.	<ul style="list-style-type: none">• No direct financial benefit to creditors. We are expected to perform our functions as quickly and efficiently as possible.
Accounting & Treasury	<ul style="list-style-type: none">• Dealing with receipts and payments;• Making distributions to RBS;• Carrying out periodic bank reconciliations; and• Closing bank account and facilities.	<ul style="list-style-type: none">• No direct financial benefit to creditors. Statutory duty to keep books and records to evidence transactions, assets and liabilities and copy correspondence.
Closure procedures	<ul style="list-style-type: none">• Obtaining clearances from third parties; and• Preparing our final report to creditors.	<ul style="list-style-type: none">• Enables the orderly wind down of the liquidation.
Creditors	<ul style="list-style-type: none">• Receiving and following up creditors enquiries;• Reviewing and preparing correspondence to creditors;• Responding to RBS' queries; and• Making distributions to RBS.	<ul style="list-style-type: none">• Permits distribution of funds to RBS; and• Ensures all creditors are kept up to date with the progress of the liquidation.
Statutory & Compliance	<ul style="list-style-type: none">• Drafting and sending out the progress report to creditors and members; and• Updating and reviewing case files.	<ul style="list-style-type: none">• Required by statute.
Tax & Vat	<ul style="list-style-type: none">• Preparing information for tax team relating to tax computations;• Preparing and submitting of final tax return to HMRC;• Liaising with HMRC; and• Preparing and submitting of VAT 426 and VAT clearance.	<ul style="list-style-type: none">• Required by statute.

Disbursements

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 that was agreed in the administration continues to apply in the liquidation, which allows for all properly incurred expenses to be recharged to the liquidation. The following disbursements arose in the period of this report.

Category	Policy	Costs incurred £
2	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	Nil
2	Mileage - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	Nil
1	Printing	28.76
Total		28.76

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 not subcontracted out any work during the period of this report.

Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Storage of books and records	• Iron Mountain (UK) Limited	• Facilities available	• Industry rates
Photocopying	• Mitie	• Facilities available	• Unit price

Appendix D: Other information

Company's registered name:	Parkridge Holdings Limited – in Liquidation
Registered number:	06064315
Registered address:	PricewaterhouseCoopers LLP, Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the Liquidators' appointment:	28 March 2012
Liquidators' names, addresses and contact details:	David Robert Baxendale and David Matthew Hammond both of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT
Details of change in liquidators:	David Baxendale replaced Robert Hunt on 8 November 2016
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:	Preferential creditors have been paid in full. Total claims amounted to £23,844.80
Estimated dividend for unsecured creditors:	Unsecured creditors have benefitted from the maximum prescribed part of £600,000. A first and final dividend of 1.91 p 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 be possible.
Estimates 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