

**Notice of move from
administration to dissolution**

Name of Company Durham Investments Six Limited	Company number 03104360
In the High Court of Justice Chancery Division, Leeds District Registry	Court case number 468 of 2010

We Mark Granville Firmin
KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW

Brian Green
KPMG LLP
St James Square
Manchester
M2 6DS
United Kingdom

Howard Smith
KPMG LLP
1 The Embankment
Neville St
Leeds
LS1 4DW

having been appointed Joint Administrators of Durham Investments Six Limited, 1 The Embankment, Neville Street, Leeds

on 22 February 2010 by Aviva Plc

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply

We attach a copy of the final progress report



Signed

Joint Administrators

Dated

14 February 2013

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to researchers of the public record.

Kevin Flatley
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1 The Embankment
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LS1 4DW United Kingdom

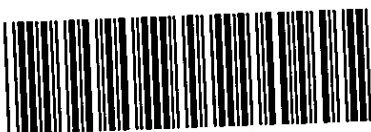
DX Number DX 724440 Leeds

Tel +44 113 2313155
DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

WEDNESDAY



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20/02/2013
COMPANIES HOUSE

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**Durham Investments Six Limited in
administration**

**Final Progress Report for the
period 5 January 2013 to 14
February 2013**

KPMG LLP
14 February 2013

MGF/CH/HA/KF



Notice: About this Report

This Report has been prepared by Mark Granville Firmin, Brian Green and Howard Smith, the Joint Administrators of Durham Investments Six Limited, solely to comply with their statutory duty to report to creditors under the Insolvency Rules 1986 on the progress of the administration, 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 is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Durham Investments Six Limited.

Any estimated outcomes for creditors included in this Report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this Report for any purpose, or in any context other than under the Insolvency Rules 1986 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Report to any such person.

Mark Granville Firmin and Brian Green are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

Howard Smith is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association.

The Joint Administrators act as agents for Durham Investments Six Limited and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the administration.

In accordance with Paragraph 100(2) of Schedule B1 the functions of the Joint Administrators may be exercised by any or all of them.



Glossary

Joint Administrators	Mark Granville Firmin, Brian Green and Howard Smith of KPMG LLP, 1 The Embankment, Neville Street, Leeds LS1 4DW
Administration Order	The administration order granted by the High Court of Justice, Chancery Division, Leeds District Registry regarding Durham Investments Six Limited on 22 February 2010 Court administration number 468 of 2010
Aviva	Aviva Commercial Finance Limited, whose ultimate parent is Aviva Plc
the Company	Durham Investments Six Limited (in administration)
the Court	High Court of Justice, Chancery Division, Leeds District Registry
the Directors	David Schreiber Jacob Schreiber
the Group	Entities in the Group are Durham Investments Four Limited, Durham Investments Six Limited, Britonwood Properties Limited, BBL Estates (Britonwood) Limited and Waterbridge Capital Partners Property Fund 1 LLP (which is the parent entity) (all in administration)
Jones Lang LaSalle	Jones Lang LaSalle Limited
Previous Report	Progress report dated 28 January 2013
Proposals	Report to Creditors pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 dated 14 April 2010 containing the Joint Administrators' proposals
the Purchasers	DMS Estates (One) Limited and DMS Estates (Two) Limited
the Purchasing Group	DMS Estates (One) Limited, DMS Estates (Two) Limited and DMS 3 (Group 1) Limited



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Final Progress Report for the period 5 January 2013 to 14 February 2013
KPMG LLP
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Savills	Savills Commercial Limited
the Subsidiaries	Durham Investments Four Limited, Durham Investments Six Limited and Britonwood Properties Limited (all in administration) whose shareholder is Waterbridge Capital Partners Property Fund 1 LLP (in administration)
VAT	Value Added Tax
Waterbridge Capital Partners	Waterbridge Capital Partners Property Fund 1 LLP (in administration)



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1 Introduction

Following my Previous Report to creditors, which covered the period from 5 July 2012 to 4 January 2013, I set out below my final progress report as per Rule 2.47 and Rule 2.110 of the Insolvency Rules 1986. This report covers the final period of the administration from 5 January 2013 to 14 February 2013, and should be considered in conjunction with my previous reports.

The purpose of this report is to provide a final update as to the progress of the administration. The Joint Administrators' Proposals have now been completed and are attached at Appendix 6. There have been no amendments or deviations from the Proposals.

The appropriate statutory information is set out in Appendix 1. A receipts and payments account for the reporting period in Form 2.24 is attached at Appendix 4.

Please note that, unless stated otherwise, all amounts referred to in this report and its appendices are net of VAT.

2 Progress of the administration

2.1 Strategy

As previously reported, the primary secured lender to the Group is Aviva. Aviva had advanced funds to the Group through Waterbridge Capital Partners totalling circa £66 million, in the form of secured debt over 20 of the Group's 22 properties.

Following lengthy negotiations the Purchasing Group agreed to assume debts owed to Aviva by the Group as consideration for the Group's property portfolio.

As such, total consideration across the Group was £59.7 million of which £31,133,900 was attributable to the Company. The sale completed on 15 October 2012.

An extension to the period of the administration was sought and obtained from the Court in July 2011 to allow negotiations and the sale to be concluded.

Distributions to Aviva in respect of its fixed charge total £34,880,413. No funds became available to allow a distribution to be made to unsecured creditors.

The Joint Administrators proposals have therefore been completed. Consequently, and in accordance with Resolution 1 of the Joint Administrators proposals, the Company will be dissolved approximately three months after the filing of this report and form 2.35B at Companies House.

3 Receipts and payments

I enclose at Appendix 4 an abstract of receipts and payments for the period of 5 January 2013 to 14 February 2013

3.1 Receipts

3 1 1 Insurance commissions

Insurance commissions of £9,681 have been received in the period

3 1 2 Other receipts

An amount of £7,047 was received in error during the period. These funds relate to VAT paid on behalf of an LPA Receiver appointed over a property held by Waterbridge Capital Partners. These funds were paid across by the LPA Receiver in error and should have been paid to Waterbridge Capital Partners. Accordingly, as mentioned in section 3 2 8, these funds have been paid across to Waterbridge Capital Partners.

Bank interest of £43 has been received in the period on funds held in the Joint Administrators' account

3.2 Payments

3 2 1 Landlord voids

An amount of £6,615 has been paid in the period in respect of the Joint Administrators' liability to the service charge arising on units that have been vacant during the administration

3 2 2 Legal fees

Legal fees of £27,227 have been paid in the period to DLA Piper in respect of the disposal of the freehold and leasehold property, overall restructuring of the Group and other general advice in the administration

Legal costs of £398,508 have been paid to date

3 2 3 Agents' fees

Fees of £844 have been paid in the period to local agents for the marketing of void units prior to completion of the sale

Payments to agents from the date of the Joint Administrators' appointment to 14 February 2013 total £501,915

3 2 4 Rent apportioned to the Purchasers

Following completion of the sale of the Company's property an amount of £5,040 was transferred to the Purchaser in the period. This was in respect of rent received by the

Joint Administrators following completion of the sale which related to the period 15 October 2012 to 24 December 2012

3 2 5 Payment of funds received in error

Funds received in error totalling £7,047 were paid in the period, see section 3 1 2

3 2 6 Landlord property costs

In the period, £122 has been paid in respect of general landlord costs. This principally includes costs of repair and maintenance works to properties and security costs arising prior to completion of the sale.

3 2 7 Void unit costs

A total of £713 has been paid in the period relating to utility costs arising from void units prior to completion of the sale.

3 2 8 Loan to service charge

As a result of VAT accounting, in the period VAT payable of £978 has been recognised on behalf of the service charge.

3 2 9 Transfer of rent deposits

Rent deposits, together with interest, totalling £1,644 were transferred to the Purchasers following completion of the sale of the Company's property.

3 2 10 Storage costs

In the period, £816 was paid in relation to the storage of the Company's books and records.

4 Cost of realisations

4.1 Joint Administrators' time costs

From appointment on 22 February 2010 to 14 February 2013, time costs of £765,278 have been incurred, representing 2,949 hours at an average rate of £260 per hour.

Within these costs is time spent by other departments within KPMG LLP, including Climate Change and Sustainability, who have reviewed the health and safety and environmental position of the Company's properties.

The statutory provisions relating to remuneration are set out in Rule 2 106 of the Insolvency Rules 1986. Further information is given in the Association of Business Recovery Professionals' publication, A Creditors' Guide to Administrators' Fees, a copy of which can be found at

http://www.r3.org.uk/media/documents/technical_library/Guides_to/Guide_to_Joint_Administrators_Fees_Nov2011.pdf



If you are unable to access the above and would like a copy, please contact Kevin Flatley on 0113 231 3155

The Joint Administrators' remuneration has been agreed by the secured creditor, in this case Aviva

Please note that all staff who have worked on this assignment, including cashiers and secretarial staff have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to this assignment but is reflected in the general level of charge out rates

In the period, the Joint Administrators have drawn fees of £170,160. The Joint Administrators have drawn total fees of £522,549

5 Liabilities

5.1 Secured creditors

As noted above, Aviva had advanced funds to the Group through Waterbridge Capital Partners totalling circa £66 million, in the form of secured debt over 20 of the Group's 22 properties

Each of the entities within the Group are bound by the legal charge in favour of Aviva dated 18 March 1998

An amount of £71,104 has been distributed to Aviva by the Company from fixed charge realisations in the period

5.2 Preferential creditors

No preferential claims have been received by the Joint Administrators to date

5.3 Unsecured creditors

There were no funds available to make a distribution to the Company's unsecured creditors

6 Administrators' Proposals

A copy of the Administrators' proposals was sent to all creditors on 14 April 2010 as part of the initial report to creditors. The proposals are summarised in Appendix 6. There have been no amendments to or deviations from the Administrators' proposals

Consequently, in accordance with Resolution 1 of the Proposals it is our intention to apply to have the Company dissolved

7 End of the administration

Following the resolution of all outstanding matters detailed in previous reports, the Joint Administrators will now file notices at Companies House that the Company be dissolved. At this point, the Joint Administrators will cease to act and will be discharged of all liabilities as detailed in Paragraph 98 of Schedule B1 of the Insolvency Act 1986

8 Statement concerning the EC Regulations

EC Regulations apply to the administration and the proceedings are the main proceedings as defined in Article 3 of the EC Regulations on Insolvency Proceedings 2000. Waterbridge Capital Partners Property Fund 1 LLP's registered office and centre of main interest is in England, United Kingdom

This means that the administration has been conducted according to UK Insolvency legislation and not governed by the insolvency law of any other European Union Member State



Mark Firmin
Joint Administrator



Appendix 1 - Statutory information

Company Name	Durham Investments Six Limited (in administration)
Date of Incorporation	20 September 1995
Company number	03104360
Present Registered office	c/o KPMG LLP 1 The Embankment Neville Street Leeds LS1 4DW
Previous registered office	147 Stamford Hill London N16 5LG
Called up share capital	Ordinary Shares 1 £1 share
Shareholders	Waterbridge Capital Partners Property Fund 1 LLP (in administration) 100%
Directors	David Schreiber Jacob Schreiber
Company Secretary	Rivky Niederman
Employees	None
Previous names	None



Appendix 2 - Joint Administrators' time costs for the period 5 January 2013 to 14 February 2013

	Partner / Director	Manager	Administrator	Total hours	Time cost	Average hourly rate
Trading						
Cashiering						
General (Cashiering)	3 50		10 20	13 70	£3 714 50	£271 13
Reconciliations (& IPS accounting reviews)		2 50	1 90	4 40	£1,361 50	£309 43
Tax						
Post appointment corporation tax		9 10		9 10	£3,627 50	£398 63
Post appointment VAT	0 20	2 00	21 60	23 80	£5 027 50	£211 24
Trading						
Purchases and trading costs		5 60	49 40	55 00	£13,409 25	£243 80
Sales		0 80		0 80	£292 00	£365 00
Administration & planning						
General						
Fees and WIP	0 50			0 50	£282 50	£565 00
Statutory and compliance						
Checklist & reviews			0 40	0 40	£74 00	£185 00
Closure and related formalities		6 60		6 60	£2,434 50	£368 86
Statutory receipts and payments accounts			1 00	1 00	£204 50	£204 50
Creditors						
Creditors and claims						
Statutory reports	1 10	4 00	21 70	26 80	£6,670 50	£248 90
Realisation of assets						
Asset Realisation						
Leasehold property		1 00		1 00	£365 00	£365 00
Total in period				143 10	£37,463 25	£261 80
Brought forward time (22 February 2010 to 4 January 2013)				2,805 49	£727,814 85	£259 43
Total time (22 February 2010 to 14 February 2013)				2,948 59	£765,278 10	£259 54



Appendix 3 – Joint Administrators’ charge out rates

KPMG LLP			
Restructuring Team			
Grade	From 1 April 2009	From 1 October 2010	From 1 October 2012
	£/hr	£/hr	£/hr
Partner	515	535	565
Associate Partner	440	460	485
Director	440	460	485
Senior Manager	405	425	450
Manager	320	345	365
Senior Administrator	225	240	250
Administrator	165	175	185
Support	105	110	115
Work Experience	35	40	45



Appendix 4 – Abstract of Administrators’ Receipts & Payments Account Form 2.24B for the period 5 January 2013 to 14 February 2013

ABSTRACT OF RECEIPTS AND PAYMENTS - 05/01/2013 to 14/02/2013 Appendix to Form 2.24
 Durham Investments Six Limited Page 1

	RECEIPTS	£
	Brought forward from previous Abstract (if Any)	38,216,033.53
	Funds received in error	7,047.24
	Bank interest, gross	41.42
	Rent deposit interest	1.23
	Insurance commissions	9,681.00
	Floating ch. VAT control	340.68
	Fixed charge VAT control	124,739.43
* Delete as appropriate	Carried forward to * continuation sheet / next abstract	38,357,884.53
	PAYMENTS	£
	Brought forward from previous Abstract (if Any)	38,019,806.15
	Landlord roads	6,615.49
	Administrators' fees	128,596.45
	Legal fees	27,226.95
	Agents fees	843.67
	Rent apportioned to the purchaser	5,040.00
	Bank charges	135.00
	Payment of funds received in error	7,047.24
	Landlord Property Costs	122.11
	Void Unit costs	713.37
	Loan to service charge	978.08
	Transfer of rent deposits	1,044.13
	Aviva Plc	71,104.37
	Administrators' fees	41,563.94
	Storage costs	815.92
	Floating ch. VAT rec'able	163.19
	Fixed charge VAT rec'able	39,830.70
	VAT debtor	5,637.77
* Delete as appropriate	Carried forward to * continuation sheet / next abstract	38,357,884.53

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the administrator since he was appointed.

Appendix 5 – Joint Administrators’ receipts and payments account for the period 5 January 2013 to 14 February 2013

Durham Investments Six Limited (In Administration) Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 05/01/2013 To 14/02/2013	From 22/02/2010 To 14/02/2013
	FIXED CHARGE ASSETS	
	NIL	5,937.57
22,810,036.56	NIL	22,643,209.03
	NIL	8,490,690.86
1,633,330.00	NIL	NIL
230,000.00	NIL	NIL
	NIL	10,195.63
221,028.75	NIL	211,709.37
	7,047.24	10,195.31
	NIL	6,614.20
	NIL	1,050.66
	NIL	16,524.12
	NIL	4.00
	NIL	5,463,677.47
	NIL	7,509.59
	41.42	8,854.69
	1.23	67.86
	<u>7,089.89</u>	<u>36,876,240.36</u>
	FIXED CHARGE COSTS	
	6,615.49	22,759.88
	128,596.45	366,747.14
	27,226.95	398,508.41
	NIL	NIL
	843.67	501,914.96
	5,040.00	311,711.27
	NIL	127,037.25
	135.00	465.00
	7,047.24	9,374.06
	122.11	126,674.99
	713.37	41,952.82
	NIL	59,138.13
	978.08	18,304.45
	1,644.13	11,238.23
	<u>(178,962.49)</u>	<u>(1,995,827.19)</u>
	FIXED CHARGE CREDITORS	
(23,031,665.31)	71,104.37	34,880,413.17
(2,730,697.94)	NIL	NIL
(300,000.00)	NIL	NIL
	<u>(71,104.37)</u>	<u>(34,880,413.17)</u>
	ASSET REALISATIONS	
	NIL	625.20
	9,681.00	156,446.13
	<u>9,681.00</u>	<u>157,071.33</u>
	OTHER REALISATIONS	
	NIL	852.89
	<u>NIL</u>	<u>852.89</u>
	COST OF REALISATIONS	
	41,563.94	155,802.25



Durham Investments Six Limited in administration
Final Progress Report for the period 5 January 2013 to 14 February 2013
KPMG LLP
14 February 2013

Durham Investments Six Limited
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 05/01/2013 To 14/02/2013	From 22/02/2010 To 14/02/2013
	815.92	1,976.85
Storage costs	NIL	141.12
Statutory advertising	NIL	4.00
Bank charges	<u>(42,379.86)</u>	<u>(157,924.22)</u>
UNSECURED CREDITORS		
(410,675.46) Trade & expense	NIL	NIL
(61,616.44) Sales Ledger Credits	NIL	NIL
(8,732.00) Inland Revenue - CIS	NIL	NIL
(593,184.06) Non-preferential VAT	NIL	NIL
(112,966.98) Rent Deposits	<u>NIL</u>	<u>NIL</u>
	NIL	NIL
DISTRIBUTIONS		
(1.00) Ordinary shareholders	<u>NIL</u>	<u>NIL</u>
	NIL	NIL
<u>(2,352,563.88)</u>	<u>(275,675.83)</u>	<u>(8.00)</u>
REPRESENTED BY		
		23,245.35
Floating ch. VAT rec'able		130,343.00
Fixed charge VAT rec'able		(1,121,426.59)
Fixed charge VAT payable		(23,245.35)
Floating ch. VAT control		791,083.59
Fixed charge VAT control		<u>(8.00)</u>

Appendix 6 – Joint Administrators’ Proposals

The Joint Administrators proposed the following two resolutions which were deemed accepted following the Joint Administrators’ Paragraph 49 report dated 14 April 2010

Resolution 1:

- to continue to do all such things reasonably expedient and generally exercise all their powers as contained in Schedule B1 to the Insolvency Act 1986 as Joint Administrators as they, in their absolute discretion, consider desirable in order to maximise realisations from the assets of Durham Investments Six Limited,
- to investigate and, if appropriate, pursue any claims that Durham Investments Six Limited may have,
- to seek an extension to the Administration period if deemed necessary by the Joint Administrators pursuant to Paragraph 76 of Schedule B1 to the Insolvency Act 1986,
- to allow the Administration to cease to have effect following its 12 month period or any extension thereof,
- to seek if appropriate, permission of the Court to make a distribution to unsecured creditors of Durham Investments Six Limited pursuant to Paragraph 65 of Schedule B1 to the Insolvency Act 1986 and to seek, if appropriate, any other directions from the Court,
- when it is considered that no further distributions to creditors will be made and that the Joint Administrators have concluded their duties, to take the necessary steps to move Durham Investments Six Limited from Administration to Dissolution, pursuant to Paragraph 84 of Schedule B1 to the Insolvency Act 1986,
- if the Joint Administrators consider that a distribution will be made to unsecured creditors of Durham Investments Six Limited, and if deemed appropriate by the Joint Administrators, to take the necessary steps to move Durham Investments Six Limited into Creditors’ Voluntary Liquidation pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986,
- if Creditors’ Voluntary Liquidation is deemed appropriate, the Joint Administrators will seek the appointment of Mark Granville Firmin, Howard Smith and Brian Green of KPMG LLP as Joint Liquidators of Durham Investments Six Limited, without any further recourse to creditors. In accordance with Paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved,
- if one of the criteria set out in Paragraph 79(2) of Schedule B1 to the Insolvency Act 1986 applies to Durham Investments Six Limited, the Joint Administrators can make an application to court to end the Administration and, if deemed appropriate, to petition the Court for the winding up of Durham Investments Six Limited. If



appropriate, the Joint Administrators will, at the same time, apply to be appointed as Joint Liquidators under Section 140(1) of the Insolvency Act 1986, and the Joint Administrators will seek a resolution from creditors to be discharged from liability 14 days after the cessation of their appointment as Joint Administrators, in respect of any action of The Joint Administrators pursuant to Paragraph 98(1) of Schedule B1 to the Insolvency Act 1986,

- in the event that Mark Granville Firmin, Howard Smith and Brian Green are appointed Joint Liquidators then they will be allowed to act jointly and severally, and
- the Joint Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect

Resolution 2:

- that in the event that no creditors' committee is formed, the Joint Administrators will be authorised to draw fees on account from the assets of Durham Investments Six Limited from time to time during the period of Administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. Also, the Joint Administrators will be authorised to draw disbursements from time to time to include category 2 disbursements, and
- that the costs of KPMG LLP in respect of other KPMG LLP specialists' advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of Durham Investments Six Limited