

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company MyHome International Plc	Company number 04068016
In the High Court of Justice [full name of court]	Court case number 7468 of 2008

(a) Insert full name(s) and address(es) of administrator(s)

† / We (a) Roy Bailey and Angela Swarbrick
Ernst & Young LLP, 1 More London Place, London, SE1 2AF

administrator(s) of the above company attach a progress report for the period

	from		to
(b) Insert date	(b) <u>3 March 2009</u>	(b) <u>2 September 2009</u>	

Signed **a Swarback**
 Joint / Administrator(s)
 Dated 8 October 2009

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 searchers of the public record

Lisa Smallman	
Ernst & Young LLP, 1 More London Place, London, SE1 2AF	
	Tel: 0207 951 1145
DX Number:	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

TUESDAY



A49 13/10/2009 51
 COMPANIES HOUSE

TO ALL KNOWN CREDITORS

8 October 2009

Ref: RB/LS/DS/LO3432/43
Direct line: 020 795 17585
Direct Fax: 020 795 11345
David Schiller
email: lsmallman@uk.ey.com

Dear Sirs

Myhome International plc (In Administration) ("the Company")**High Courts of Justice, Number 7468 of 2008****Registered office address: 1 More London Place, London SE1 2AF**

I write, in accordance with Rule 2.47 of The Insolvency Rules 1986, to provide creditors with a report on the progress of the administration. This report covers the six month period from 3 March 2009 to 2 September 2009 and should be read in conjunction with the Administrators' proposals dated 28 October 2008.

Myhome International plc, registered number 04068016, entered administration on 3 September 2008 with R Bailey and A Swarbrick, being appointed to act as Joint Administrators. The appointment was made by the directors under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by either of them.

Progress since Administrators' Proposals

The Administrators have continued to deal with their obligations, particularly in relation to the shares held by the Company and the funds held in escrow relating to the acquisition of Edwin Investments Limited.

On 2 September 2009, a six month extension to the Administration was granted by the Secured Creditor, Lloyds TSB Bank plc, to 2 March 2010. However, it is anticipated that the Administrators will finalise the outstanding issues and cease to act in advance of that date.

Statutory Matters

The Joint Administrators continue to fulfil their statutory requirements in respect of the Administration.

Receipts and Payments Account

I enclose a receipts and payments account for the period from 3 March 2009 to 2 September 2009. This does not reflect estimated future realisations or costs.



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Joint Administrators' Remuneration and Disbursements

An analysis of the total time spent, as at 2 September 2009, is attached at Appendix 2 to this report. Our fees have been agreed by the Secured Creditor, Lloyds Bank TSB plc and to date, we have only drawn £180,000. The balance of fees will be drawn on conclusion of the Administration.

At Appendix 3 there is a statement of the Administrators' policy in relation to charging time and disbursements.

Secured Creditors

As previously advised in my report dated 24 July 2009, Lloyds TSB Bank plc, the Company's principal secured lender, has total indebtedness at £8.5 million. The realisations from the sale of shares will be covered by the Bank's Fixed Charge. It is estimated that the Bank will suffer a shortfall under its security.

Furthermore, the Esher based property is also subject to a First Fixed Charge in favour of Clydesdale, who have an estimated indebtedness of £1.059 million. The valuation of the property is below the indebtedness to Clydesdale and, accordingly, we do not consider there is any equity in the property.

Preferential Creditors

As there are no employees of the Company, there are unlikely to be any preferential claims.

Non-preferential Creditors

No further creditor claims have been submitted. To date total non-preferential claims are in the region of £750,000.

As it is estimated that there will be a shortfall to the Secured Creditors, it is unlikely that there will be any funds available for distribution to the non-preferential Creditors.

Distributions to Creditors

There is no floating charge and, as such, there is no Prescribed Part available for distribution to the unsecured creditors.

I will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner.

Should you have any queries please do not hesitate to contact my colleague Lisa Smallman.

Yours faithfully
for the Company

A Swarbrick

A Swarbrick
Joint Administrator

Enc: Joint Administrators' Receipts and Payments Account
Summary of Joint Administrators' Time-Costs and Disbursements
Joint Administrators' Policy on Fees and Disbursements

The Institute of Chartered Accountants of Scotland authorises TM Burton to act as Insolvency Practitioner under section 390(2)(a) of the Insolvency Act 1986 and The Institute of Chartered Accountants in England and Wales authorises A Swarbrick to act as Insolvency Practitioner under section 390(2)(a) of the Insolvency Act 1986.

The affairs, business and property of the Company are being managed by the Joint Administrators, TM Burton and A Swarbrick, who act as agents of the Company only and without personal liability.

Appendix 1

Myhome International plc (In Administration)
Joint Administrators' Abstract of Receipts and Payments
from 2 March 2009 to 3 September 2009

	<i>Total</i> £
<i><u>Receipts</u></i>	
Balance brought forward	5,014,564.83
Interest	1,627.29
VAT refund	27,469.20
	<hr/> 5,043,661.32
<i><u>Payments</u></i>	
Brought forward	4,042,412.78
Legal and Professional fees	10,296.67
Insurance	3,436.13
Bank charges and interest	121.18
Flt VAT Receivable	1,544.50
	<hr/> 4,057,811.26
Balance at bank	<hr/> 985,850.06 <hr/>

Myhome International plc (In Administration)

Summary of Joint Administrators' Time-Costs
to 2 September 2009

Classification of work function	Hours			Time Costs			Average hourly rate			Total Hours	Total Time Costs	Total Average hourly rate
	Partner / Director	Manager	Other Senior Professionals & Support	Partner / Director	Manager	Other Senior Professionals & Support	Partner / Director	Manager	Other Senior Professionals & Support			
Accounting & Administration (0013)	1.00		11.10	700.00		2,064.50	700.00		185.99	12.10	2,764.50	228.47
Bank & Statutory Reporting (0003)	7.50	14.70	38.70	5,250.00	7,283.00	10,255.50	700.00	495.44	265.00	60.90	22,788.50	374.20
Category 1 Expenses (EXP1)												
Creditors (0009)	1.50	7.00	11.70	1,050.00	2,650.00	3,100.50	700.00	378.57	265.00	85.20	17,850.50	209.51
General (0000)	1.00	11.00	(40.80)	700.00	5,585.00	(8,202.00)	700.00	507.73	201.03	20.20	6,413.00	317.48
Immediate Tasks (0002)	12.00	25.50	18.00	8,400.00	11,390.00	3,690.00	700.00	446.67	205.00	55.50	23,480.00	423.06
Investigations & CDDA (0011)	5.50	55.10	8.60	3,850.00	26,999.00	16,235.00	700.00	490.00	170.00	156.10	47,084.00	301.63
Members (0010)												
Other Assets (0006)	94.50	154.80	175.00	66,085.00	63,775.00	36,025.00	699.31	411.98	205.86	424.30	165,885.00	390.96
Other Matters (0018)	0.50		5.00	350.00		850.00	700.00		170.00	5.50	1,200.00	218.18
Property (0004)	0.50			350.00			700.00			0.50	350.00	700.00
Statutory Duties (0016)	7.50	1.00	15.00	5,055.00	490.00	3,675.00	674.00	490.00	245.00	45.00	12,875.00	286.11
VAT & Taxation (0017)		21.80	3.10		12,800.00	1,333.00		587.16	430.00	26.10	14,367.00	550.46
Mallard (19689627) Total	131.50	290.90	229.30	91,790.00	130,972.00	52,156.00	698.02	450.23	227.46	900.00	317,336.50	352.60
Grand Total	131.50	290.90	229.30	91,790.00	130,972.00	52,156.00	698.02	450.23	227.46	900.00	317,336.50	352.60

Myhome International plc (In Administration)
Summary of Joint Administrators' Disbursements
from 3 March 2009 to 2 September 2009

Type and purpose	£
Transport	85.79
Total	85.79

Myhome International plc (In Administration)

Office Holders' Charging Policy for Fees

The Secured Creditor has determined that the Administrators' remuneration should be fixed on the basis of time properly spent by the Administrators and their staff in attending to matters arising in the Administration.

The Administrators have engaged a manager and other staff to work on the cases. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by cashiers dealing with the company's bank accounts and statutory compliance diaries, secretaries providing typing and other support services and filing clerks. Work carried out by all staff is subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters is charged to a separate time code established for each case. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown in Appendix 2, as are the current hourly rates used. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by this report.

Office Holders' Charging Policy for Disbursements

Statement of Insolvency Practice No. 9 ("SIP 9") published by R3 (The Association of Business Recovery Professionals) divides disbursements into two categories.

Category 1 disbursements comprise payments made by the office holders' firm, which comprise specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. These disbursements can be paid from the insolvent's assets without approval from the Committee. In line with SIP 9, it is our policy to disclose such disbursements drawn but not to seek approval for their payment.

Category 2 disbursements comprise payments made by the office holders' firm which include elements of shared or overhead costs. Such disbursements are subject to approval from the Secured Creditor as if they were remuneration. It is our policy, in line with SIP 9, to seek approval for this category of disbursement before they are drawn.