



FRIDAY



A8HTCFB6

A31

08/11/2019

#9

COMPANIES HOUSE

1 Company details

Company number F C 0 3 6 5 6 7

Company name in full LUGANO DISSINGTON ESTATE LIMITED

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Paul

Surname Cooper

3 Administrator's address

Building name/number 26-28

Street Bedford Row

Post town Holborn

County/Region London

Postcode W C 1 R 4 H E

Country UK

4 Administrator's name ①

Full forename(s) Paul

Surname Appleton

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 26-28

Street Bedford Row

Post town Holborn

County/Region London

Postcode W C 1 R 4 H E

Country UK

② Other administrator
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	<input type="text" value="0"/> <input type="text" value="8"/>	<input type="text" value="0"/> <input type="text" value="4"/>	<input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="1"/> <input type="text" value="9"/>
To date	<input type="text" value="0"/> <input type="text" value="7"/>	<input type="text" value="1"/> <input type="text" value="0"/>	<input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="1"/> <input type="text" value="9"/>

7 Progress report

I attach a copy of the progress report

8 Sign and date

Administrator's signature

Signature

X *Paul* X

Signature date

<input type="text" value="0"/> <input type="text" value="7"/>	<input type="text" value="1"/> <input type="text" value="1"/>	<input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="1"/> <input type="text" value="9"/>
---	---	---

IN THE HIGH COURT OF JUSTICE

NO CR- 2019-002448

IN THE MATTER OF

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION

AND

THE INSOLVENCY ACT 1986

**THE JOINT ADMINISTRATORS' FIRST PROGRESS REPORT
PURSUANT TO
PART 18 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE PERIOD 8 APRIL 2019 TO 7 OCTOBER 2019**

CONTENTS

- a. Introduction
- b. Statutory information
- c. Joint Administrators' names and addresses
- d. Any Changes in the Office Holders
- e. Details of progress during the period and summary account of receipts and payments
- f. Joint Administrators' remuneration and expenses
- g. Creditors and distributions
- h. Details of what remains to be done
- i. Other information of relevance to creditors
- j. Next report

APPENDICES

- A. Joint Administrators' Remuneration and Expenses
- B. Receipts and Payments Account from 8 April 2019 to 7 October 2019
- B1. Trading Income and Expenditure Account from 8 April 2019 to 30 September 2019
- C. Time Analysis for the period 30 May 2019 to 7 October 2019
Cumulative Time Analysis for the Period from 8 April 2019 to 7 October 2019

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION
Progress Report pursuant to part 18 of the Insolvency (England and Wales) Rules 2016

(a) Introduction

I refer to the appointment of Paul Appleton and myself as Joint Administrators of Lugano Dissington Estate Limited, pursuant to an appointment made by the sole Director and filed at the High Court of Justice on 8 April 2019. As the first six months' anniversary has recently passed, I am pleased to provide creditors with my first progress report as required by Rule 18.2 of the Insolvency (England and Wales) Rules 2016. This report should be read in conjunction with our earlier report to creditors dated 29 May 2019, which outlined our Proposals for the Administration.

Rule 18.3: Progress Report

(b) Statutory information

- (i) Court:** High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies (ChD)
Reference Number: CR- 2019-002448
- (ii) Company name:** Lugano Dissington Estate Limited
Company numbers: Guernsey Registry: 47599
United Kingdom Registry: FC036567
Registered office: Level 5 Mill Court, La Charroterie, St Peter Port, Guernsey, GY1 1EJ
Trading Address: 10 Gloucester Place, Portman Square, London W1U 8EZ

(c) Joint Administrators' names and addresses:

Paul Appleton and Paul Cooper, both of David Rubin & Partners, 26-28 Bedford Row, London WC1R 4HE were appointed Joint Administrators of the Company on 8 April 2019. This appointment was made by the sole Director of the Company, pursuant to paragraph 22 of Schedule B1 of the Insolvency Act 1986.

The Joint Administrators act jointly and severally in the exercise of any and all functions exercisable by an administrator appointed under the provisions of Schedule B1 of the Insolvency Act 1986 ("IA86").

(d) Any changes in the Office Holders

We were appointed Joint Administrators of the Company on 8 April 2019. There has not been a change in the Office Holders since the original appointment date or an extension to the initial period of appointment.

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively:

Creditors may recall that the statutory objective being pursued in the Administration is realising property in order to make a distribution to one or more secured or preferential creditors. In addition to the pursuance of this statutory objective, the Joint Administrators

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION
Annual Progress Report pursuant to part 18 of the Insolvency (England and Wales) Rules 2016

have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.

This section of the report provides creditors with an update on the progress made in the period, both in terms of the achievement of the statutory objective, but also work, which is required of the Joint Administrators under other related legislation.

Attached, at Appendix C, is a time analysis outlining the time spent by the Joint Administrators and their staff during the period under review. Our fees estimate was originally provided to creditors when the basis of our remuneration was approved, and was based on information available to us at that time. More details explaining the work undertaken by the Joint Administrators in the period are set out in Appendix A.

Freehold Property

Marketing and Sale

Cushman & Wakefield (“C&W”) was retained to continue marketing the land known as Dissington Estate in Ponteland, Northumberland (“the Estate”). The land is largely agricultural and consists of 2,500 acres with 10 residential and 5 farming units. It was placed on the market in May 2019 for £27.5m by the Joint Administrators.

C&W immediately approached developers, land promoters, private equity players and investment/development agents with a potential interest in the Estate. A sales brochure was produced by C&W, as approved by the Administrators, in order to assist with marketing and circularised to all of the above, as well as being promoted on social media platforms and C&W’s website. In order to encourage further and wider interest, additional advertisements were placed in the Farmers Weekly and Estates Gazette.

By the end of June 2019, there had been interest from over 50 parties, with 14 of those expressing a key active interest. In order to facilitate the sale process a dedicated data room was set up, to include details of the planning application, which was previously rejected by the Northumberland County Council. Clearly, as detailed in the Administrators’ previous report and proposals, the Estate would be worth significantly more than its current potential value if the requisite planning permission was able to be granted. Following discussions with the Council, a full suite of planning documents was obtained and made available for interested parties’ perusal.

In order to progress the matter, C&W set a deadline of 18 July 2019 for offers to be submitted. Several offers were received from sitting tenants for their specific property interest, but as any piecemeal sale of the Estate is only likely to achieve a significantly lower outcome than a sale of the whole Estate, this strategy is not currently being pursued. Certain of those parties who were seriously interested in purchasing the Estate made indicative offers, but these were far below the Administrators’ guide price.

Following discussions with C&W and the Secured Creditors, the Joint Administrators decided that, in view of the prevailing political and economic climate, there was little benefit to continuing to market the Estate. Accordingly, the sale process has been temporarily put on hold until market conditions improve in the new year with the entire strategy being reassessed at the point in time.

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION
Annual Progress Report pursuant to part 18 of the Insolvency (England and Wales) Rules 2016

Rental Income

Savills was retained to act as managing agents for the Estate and continue collect rental income on behalf of the Joint Administrators. To date, the sum of £130,000 has been remitted to the Administrators' account on account of such income. Rent is collected on monthly, semi-annual and annual bases and total circa £270,000 per annum.

Over the course of the Administration, several issues have arisen involving current tenants and additional costs are likely to be incurred for repairs to farm buildings and the overall maintenance of the Estate of circa £10,000 to £15,000.

One of the tenants fell significantly behind with rental payments and a statutory demand was served on the joint tenants. Following correspondence and an assessment of the extenuating circumstances surrounding the arrears, an agreement has been reached with the remaining tenant and her extended family and friends offering to settle the arrears. The first instalment of £10,000 is expected to be paid in early December 2019, with the balance shortly thereafter.

In addition, we are dealing with one of the holders of a significant agricultural tenancy where there was a historic dispute between the Company and the tenant. The matter concerns a proposed option agreement, whereby the tenant was to agree to give up his rights over such parts of the property as the Company required for its development purposes in exchange for the waiving of certain rental payments and the granting of certain freehold transfers and tenancies. The matter has been subject to arbitration and we are liaising with the previous solicitors retained by the Company as well as Savills in order finalise the matter ahead of any remarketing initiative for the Estate as a whole.

Potential Third-Party Interests

As creditors may recall, a freezing order was obtained on 8 July 2016 and subsequently varied on several occasions ("the Freezing Order") over the assets of two individuals. Based on representations made by the Claimants, the Estate has been included as a potential asset subject to the Freezing Order.

Following discussions and protracted correspondence between the Administrators' solicitors, Proskauer Rose LLP and solicitors acting for the Claimants, being the liquidators of several offshore companies, it was agreed that an application would be made to remove the Estate from the Freezing Order. This was in consideration for the Administrators agreeing to not make distributions other than for properly incurred Administration expenses from the sale proceeds without notice to them. The Consent Order was approved on 12 August 2019.

Debtors

The Director's Estimated Statement of Affairs reflected various debtors estimated to realise a total of £138,114. Due to a lack of records, investigations are on-going into the recoverability of these debtors, to include the apportionment of accrued rental income as at Administration and the VAT position. A further update will be provided in future reports.

It should also be noted that Newfind Investments Limited, a company incorporated in the Republic of the Marshall Islands and now dissolved, were recorded as a debtor in the Company's records for the sum of £3,565,000. The Administrators are continuing to explore options in recovering these funds and avenues available including legal action.

A receipts and payments account is attached, which is further explained below.

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION
Annual Progress Report pursuant to part 18 of the Insolvency (England and Wales) Rules 2016

1. Receipts

1.1 Cash at bank

The sum of £10,282.07 was transferred from the Trust account held with Metro Bank Plc to the Estate account.

1.2 VAT refund

The sum of £4,838.52 was recovered in respect of VAT for a pre-Administration period. We are currently liaising with the Company's former management to finalise the pre-Administration VAT position.

1.3 Bank interest gross

Interest earned on the funds in hand amounts to £92.87.

1.4 Surplus/Deficiency from rental income

As detailed in (e) above, surplus funds of of £130,000 have been received from Savills to date. An income and expenditure account extracted from information provided by Savills for the period 8 April 2019 to 30 September 2019 is included as Appendix B1, which records a net surplus of £120,819 for the period. As at 30 September 2019, the sum of £7,119 was held in Savills' client account.

2. Payments

2.1 Joint Administrators' remuneration

The Joint Administrators' remuneration was approved by the Chargeholders and the sum of £70,000 has been drawn on account to date. Further details of the basis of the Administrator's remuneration is outlined in (f) below.

2.2 Marketing costs/Agents fees

To date, the following sums have been incurred and paid in the Administration:

Agent	Amount	Purpose
Creative Streak Design	£3,000.00	Deisgn of marketing brochure & Farmers Weekly advertisement
Reed Business Information	£2,550.00	Estates Gazette advertisement and links

2.3 Statutory Advertising

The sum of £87.48 has been incurred and paid in the Administration in respect of statutory advertising of the Joint Administrators' appointment in the London Gazette.

2.4 Insurance

Premiums totalling £10,003.13 were paid to Lycetts to provide a Farm and Country Estate insurance policy. This was a renewal, in August 2019, of the exisiting policy

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION
Annual Progress Report pursuant to part 18 of the Insolvency (England and Wales) Rules 2016

and some £5,000 lower than an alternative quote sourced by the Administrators' insurance brokers, Aon Risk Solutions.

2.5 Unpaid Expenses

2.5.1 Legal Fees

As previously advised, Proskauer Rose LLP ("Proskauer") were instructed to provide legal advice over issues relating to the Freezing Order. Proskauer incurred time costs of £40,702.50 to 26 July 2019.

The work carried out over the above period includes advice in relation to the Freezing Order, holding meetings and discussions with the Liquidators of the Claimants and drafting and applying for a consent order to be filed at the High Court. Proskauer has also been liaising with three other parties who have also been claiming an interest in the Estate.

Proskauer has a specialist Insolvency department and was chosen on that basis after taking into account the size and complexity of the legal issues involved. They had also provided assistance with the appointment of Joint Administrators and legal issues surrounding the Company's Centre of Main Interest.

2.5.2 Professional Fees

Savills

Savills continue to manage the rental properties on the Estate and their costs are settled from its client account. Fees of £2,029.15 were drawn in August 2019.

Savills charges its fees on a time-cost basis at £175 per hour, together with a small annual accounting charge of £1,000. Rent is collected by Savills periodically on the Company's behalf and deducts its fees, together with agreed expenses in relation to maintenance of the properties on the Estate, from the balance remitted to the Company.

Savills were previously appointed by Allsop LLP who acted as Fixed Charge Receivers over the Estate. They were retained as they had prior knowledge of the Estate, including dealings with the tenants, and a significant regional presence. Furthermore, they have experience dealing with rural and farming tenancies.

Cushman & Wakefield

C&W has continued to market the Estate. C&W's fees have been agreed at 0.8% of the total sale price achieved for the Estate. There will also be some residual expenses relating to the sale process, such as aerial photography and Energy Performance Certificate inspections to settle.

Aquitaine Group Limited

Aquitaine Group Limited were retained to provide registered office services as the Company is registered in Guernsey. There may be ongoing fiduciary and administration services payable in this regard.

Mintz Group Limited

Mintz Group Limited ("Mintz") were instructed to carry out trace and background investigations in the officers of the Company and connected parties. A set fee in the

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION

Annual Progress Report pursuant to part 18 of the Insolvency (England and Wales) Rules 2016

sum of £10,000 plus VAT was agreed based on the likely time to be incurred in carrying out the work and preparing a report on its findings.

Mintz was chosen based on their experience and previous success in recovering funds in foreign jurisdictions including specialising in large-scale disputes and cases of fraud.

2.5.3 Specific bond

The specific bond is the cost of insurance, based on the level of realisations by the Joint Administrators, as required by the Insolvency Practitioners Regulations 2005. The premium is £30 plus VAT.

(f) Joint Administrators' Remuneration and Expenses

- i) The Joint Administrators' remuneration is fixed by reference to time spent in attending to matters arising in the Administration. A statement of remuneration charged and description of work undertaken are provided at Appendix 1.
- ii) Expenses incurred in the Administration are explained at (e) above in my comments on the Receipts and Payments Accounts

(g) Creditors and Distributions

(i) (a) Secured creditors

Dissington Lending Company Limited

Dissington Lending Company Limited ("DLC") holds a fixed and floating charge over the Company's assets. The Company originally granted the above charge to Topland Jupiter Limited ("Topland") on 8 June 2016 and this was registered with the Guernsey Registry. The debenture has yet to be validated by the Joint Administrators.

DLC advised that the net outstanding balance as at the date of Administration was £29,519,790, which is in accordance with the Company's records, and interest continues to accrue on the amount outstanding. It is anticipated that a substantial distribution will be paid from fixed charge realisations, although this is subject to the matters discussed above at (e) and the debenture being valid.

Matterhorn Capital Dissington Loan Limited

Matterhorn Capital Dissington Loan Limited ("MCDL") also hold a legal charge dated 8 November 2016 over the Estate. As at the date of the Administration, according to the Company's records, the balance outstanding was £12,031,000.

Based on present information, it is uncertain whether there will be sufficient funds for MCDL to receive a distribution from the Administration, which will be subject to DLC's debenture being paid in full.

(b) Prescribed Part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003 and made available for the satisfaction of unsecured debts.

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION

Annual Progress Report pursuant to part 18 of the Insolvency (England and Wales) Rules 2016

The charge registered against the Company was created after the above date. Therefore, the provisions of S176A of the Act will apply in the Administration. However, it is currently uncertain whether floating charge realisations will be sufficient to enable the payment of a dividend pursuant to the prescribed part. A further update will be provided in future reports to creditors.

(ii) Preferential creditors

The Company has no preferential creditors.

(iii) Unsecured creditors

The claims of the unsecured creditors have been noted when received. To date, the claims of 16 creditors, with a total value of £625,629.86, have been established. Based on current information, it is uncertain whether there will be a dividend payable to the unsecured non-preferential creditors.

(h) Details of what remains to be done

(i) The Estate

The Estate, being the main asset of the Company, remains to be sold. Dependent on economic and political climate, it is uncertain when this will be executed to ensure the best price is achieved. Rental income will continue to be collected in the meantime and the Estate maintained and managed.

(ii) Investigations

Investigations continue to be carried out in establishing the recoverability of debtors, any potential antecedent transactions which could be pursued by the Joint Administrators and tracing any other potential assets (see below).

(i) Other information of relevance to creditors:

Investigations

Some of the work the Joint Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Administrator can pursue for the benefit of creditors.

In accordance with the Company Directors Disqualification Act 1986, we have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy (BEIS). As this is a confidential report, we are not able to disclose the contents.

Shortly after our appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to our request to complete an investigation questionnaire.

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION
Annual Progress Report pursuant to part 18 of the Insolvency (England and Wales) Rules 2016

Over and above the disposal of the Company's land and buildings, there are essentially two strands to the investigation into its affairs, the main area being in respect of the activities of its previous Directors, Shadow Directors and Owners.

The secondary issue relates to the Company's involvement as a minor part of a wide-ranging action that has been ongoing since 2007 to enforce a £41m confiscation order made against Gerald Martin Smith. Effectively, the Receivers of Mr Smith's property and the Liquidators of companies controlled by Smith's partner, Gail Alison Cochrane, are each claiming a proprietary interest in the Company's land and buildings. A further set of respondents in the "Smith" proceedings have also claimed an interest in the Company's assets. We have engaged with this aspect of the matter at some length (see (e) Potential Third-Party Interests above).

The Director and Ultimate Beneficial Owner have indicated that they consider there to be matters which require further investigation and may lead to a recovery in the Administration. As it has only been six months since the Joint Administrators' appointment, it is only at the early stages of the investigation, which includes obtaining information from various sources including the previous lenders, Topland, and other individuals and entities involved in the promotion, formation, business, dealings, affairs or property of the Company.

It should be noted that the current Director was only appointed in October 2018 following the acquisition by the Company by the Dissington Group, following DLC enforcing its security over the shares. Records pertaining to periods prior to his appointment have not been forthcoming from previous officers. Furthermore, the Company did not operate a bank account and funds were administered through their agents' and solicitors' client accounts. The lack of books and records available are hindering the Joint Administrators' ability to carry out their investigations.

Due to the limited records available and the multiple jurisdictions involved, it has been difficult to ascertain at present whether there are any actions which could be pursued by the Joint Administrators which would lead to a recovery for the estate.

j) Next report

We are required to provide a Progress Report within one month of the end of the next six months of the Administration, or earlier if the Administration has been finalised.

We trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either our Senior Manager, David Marks, or his assistant, Sau-Woon Man, at this office.


PAUL COOPER - JOINT ADMINISTRATOR

DATE: 7 November 2019

APPENDIX A

JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

1. Joint Administrators' Remuneration

We have now reviewed our firm's time costs, and would advise that from the date of appointment to 7 October 2019, the total time costs amount to £121,955.50 for 353 hours and 42 minutes, which equates to an average cost of £344.80 per hour. A breakdown of these time charges is set out in Appendix 2.

To date £70,000 has been paid on account of these time costs.

1.1 *Staff allocation and the use of subcontractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

1.2 *Basis of Joint Administrators' Remuneration*

An Administrator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.

The above work will not necessarily bring any financial benefit to creditors generally, however an Administrator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Administrator in dealing with those claims.

Creditors may recall that, pursuant to the Secured Creditors' Decision by Correspondence made on 10 June 2019,, a resolution was passed to fix the Joint Administrators' remuneration by reference to the time given by the Joint Administrators and the various grades of their staff according to their firm's usual charge out rates in attending to matters arising in the administration, and further the Joint Administrators were authorised to draw category 2 disbursements and be entitled to draw sums on account of their remuneration and disbursements as and when funds permit.

In accordance with these resolutions, we have drawn fees of £70,000 plus VAT and we would confirm that our fees estimate for the Administration remains unchanged.

2. Chargeout rates

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), I would advise that my firm's current hourly chargeout rates applicable to this appointment, which are charged in units of 6 minutes, exclusive of VAT, are as follows:-

	£
Senior / Managing Partners	550
Partners/Office holders	495
Managers / Senior Managers	350 - 395
Senior Administrators	220 - 295
Administrators	160 - 200
Cashiers and Assistants	150 - 295
Supports	120 - 150

Chargeout rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance. Time is charged in minimum units of 6 minutes.

3. Case overview

As discussed in the main body of this Report, work undertaken in the period under review has centred on the sale of the Dissington Estate ("the Estate"), its removal from the Freezing Order and the ongoing investigation into the Company's affairs.

The Joint Administrators instructed agents, Cushman & Wakefield, to market the Estate for sale. Savills has been retained to act as managing agents for the Estate and collect rental income on behalf of the Joint Administrators. The Estate has several agricultural and residential tenants from whom rent is collected, variously, on monthly, semi-annual and annual bases.

The Company found itself part of a complex and wide-ranging dispute, with competing claims to the Estate from several parties. Accordingly, the Joint Administrators and their solicitors, Proskauer Rose LLP, has worked closely with these parties and their legal representatives to achieve a solution which, while not prejudicing their potential interest in the Estate, allows the Administrators to comply with their statutory duties to realise the Company's assets.

Moreover, it was evident from the Joint Administrators investigations into the previous Directors and management, together and historical transactions in relation to the Company's financing and various outward payments, that there may be claims against several parties in this regard.

4. Other Issues affecting costs

Extensive Partner time has been incurred in respect of the issues outlined above due to the significant potential value to the Estate, which had to be tested through a robust marketing campaign, and also the complexities surrounding the Freezing Order and other potential interests in the same. Close liaison with solicitors, agents and the Secured Creditors was necessary to consider the matter and make the required decisions for the benefit of all Stakeholders.

In addition, due to the wide ranging and multi-jurisdictional nature of the investigation into the Company's affairs, a high level of partner and senior manager involvement continues to be required for this part of the assignment. Again, it has been necessary to work in conjunction with the Secured Creditors and their representatives to progress the investigation with the ultimate aim of making recoveries.

In addition to the above functions, other work undertaken to date are the following:

- i.) Preparation and circulation of notice of appointment and subsequently the proposals to creditors pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986.
- ii.) Reviewing charges given to secured creditors and agreeing their claims.
- iii.) Obtaining and acknowledging the claims of unsecured creditors and dealing with any correspondence therein.
- iv.) Arranging the insolvency practitioner's bond and submission of the bordereau as required by section 390 of the Insolvency Act 1986.
- v.) Correspondence with the HM Revenue and Customs as regards VAT. Preparing the relevant VAT returns for the claiming of VAT inputs.
- vi.) Assisting the Director with his preparation of the Director's estimated Statement of Affairs as at the date of Administration.
- vii.) Preparation and submission of the Joint Administrators' report on the conduct of the current and former Directors pursuant to the requirements of the Company Directors Disqualification Act 1986.
- viii.) Recovering the balance of funds from the Trust account held with Metro Bank plc on the Company's behalf and opening a designated Administration bank account, and dealing with the movement of funds.
- ix.) Working closely with Savills with regard to the day to day management of the Estate in addressing debt collection, repairs and maintenance issues and tenant disputes.
- x.) Arranging for suitable insurance cover to be put in place.
- xi.) Liaising with the Company's Corporate Services Provider and conducting various searches with the Guernsey Registry to obtain statutory information on the Company;
- xii.) Ensuring that the Company appeared as a registered overseas branch on Companies House to facilitate the filing of Administration documents..

To view an explanatory note concerning Administrators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website www.drpartners.com/cases, using the following log-on details:

USERNAME: L963@drco.co.uk

PASSWORD: 369Ldm*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

6. Creditors' rights

Within 21 days of the receipt of this report, in accordance with Rule 18.9, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request, in writing, that the Administrators provide further information about their remuneration or expenses (other than pre-administration costs), which have been itemised in this progress report.

Under Rule 18.34, any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may, within 8 weeks of receipt of this progress report, make an application to Court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

7. Policy as regards disbursements:

Direct expenses ("Category 1 disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 disbursements")

It is normal practice to also charge the following indirect disbursements ("Category 2 disbursements" as defined by SIP 9) to the case, where appropriate:

Postage and stationery: circulars to creditors

Headed paper	25p per sheet	Envelopes	25p each
Photocopying	6p per sheet	Postage	Actual cost

Meeting Costs: Use of Meeting Room is charged at £150 per session

Storage and Archiving

We use a commercial archiving company for storage facilities for companies' records and papers. This is recharged to the estate at the rate of £10 per box per quarter, and includes a small charge to cover the administration costs of maintaining the archiving database and retrieval of documents. We also use our own personnel and vehicle for collection of books and records for which we charge £65 per hour

Mileage incurred as a result of any necessary travelling is charged to the estate at the Inland Revenue approved rate, currently 45p per mile

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION
JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT
FOR THE PERIOD FROM 8 APRIL 2019 TO 7 OCTOBER 2019

	Estimated to Realise (Per Director's ESoA)	Period from <u>8-Apr-19 to 7-Oct-19</u>	
	£	£	£
<u>Receipts</u>			
Freehold Property	25,000,000	Nil	
Goodwill and Intellectual Property	Uncertain	Nil	
Cash at Bank	10,282	10,282.07	
Accrued Rental Income	45,131	Nil	
Trade and Other Debtors	51,932	10,539.88	
Inter-Company Debtors	1	Nil	
Sundry Debtors	1	Nil	
VAT Refund	41,049	4,838.52	
Claims & Recoveries	1	Nil	
Bank Interest Gross	-	92.87	
Surplus from Trading	-	119,460.12	
	25,148,397	119,460.12	145,213.46
<u>Payments</u>			
Administrators' Remuneration		(70,000.00)	
Marketing Costs		(5,550.00)	
Insurance		(10,003.13)	
Statutory Advertising		(87.48)	
		(85,640.61)	(85,640.61)
<u>Balance</u>			59,572.85
<u>Represented by</u>			
Cash at Bank			44,445.35
VAT Receivable			15,127.50
			59,572.85

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION
JOINT ADMINISTRATORS' INCOME AND EXPENDITURE
FOR THE PERIOD FROM 1 APRIL 2019 TO 30 SEPTEMBER 2019

<u>Income</u>		£
Rents	Agricultural Rental Income	115,061
	Grazing Income	0
	Miscellaneous Agreements	35
	Residential Rental Income	12,591
Sporting	Sporting Rights Income	<u>0</u>
Total Income		127,687
 <u>Overhead Expenses</u>		
Miscellaneous	Sundry Expenses	
Overhead Property	Cleaning	-135
	Council Tax	-1,318
	Gardening & Landscape	-593
	Property Repairs & Maintenance	-1,839
	Residential Property Repairs & Maintenance	-954
	Sundry Expenses	0
Professional Fees	Prof Management Fees	<u>-2,029</u>
Total Overhead Expenses		-6,868
Net Surplus/(Deficit)		<u><u>120,819</u></u>
 Cashflow Statement		
	Capital	-119,460
	Creditors	-431
	Debtors	-14,367
	Input VAT	-356
	Output VAT	1,125
	VAT Control Account	<u>19,788</u>
Net cashflow assets		-113,701
Net cashflow before assets		<u>120,819</u>
Net cashflow		<u><u>7,118</u></u>

LUGANO DISSINGTON ESTATE LIMITED - IN ADMINISTRATION

JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD 30 MAY 2019 TO 7 OCTOBER 2019							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning	05:30	00:00	19:48	01:30	26:48	6,349.50	236.92
Investigations	49:30	29:30	23:30	00:00	102:30	40,603.00	396.13
Realisations of assets	32:30	11:18	26:48	00:00	70:36	26,441.00	374.52
Creditors	11:30	02:12	04:18	00:00	18:00	7,367.50	409.31
<i>Total hours and costs</i>	<i>99:00</i>	<i>43:00</i>	<i>74:24</i>	<i>01:30</i>	<i>217:54</i>	<i>80,761.00</i>	<i>370.63</i>

JOINT ADMINISTRATORS' CUMULATIVE TIME COSTS FOR THE PERIOD 8 APRIL 2019 TO 7 OCTOBER 2019							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
Statutory filings, circulars, notices, etc.	00:00	00:00	30:06	00:00	30:06	5,052.00	167.84
Case planning, strategy & control	02:30	00:12	13:06	00:00	15:48	3,262.50	206.49
Taxation: PAYE, C/Tax & VAT	00:00	00:00	02:30	00:00	02:30	550.00	220.00
Accounting & Cashiering	00:00	00:00	00:36	02:36	03:12	536.00	167.50
Case reviews & Diary maintenance	00:00	00:00	01:18	00:00	01:18	236.00	181.54
Statutory reporting and compliance	10:00	00:00	27:18	00:00	37:18	10,426.00	279.52
Investigations							
CDDA preparation & reporting	00:00	01:00	00:00	00:00	01:00	395.00	395.00
SIP2 assessment and financial review	00:00	07:30	08:00	00:00	15:30	4,372.50	282.10
Investigating antecedant transactions	40:30	28:00	15:30	00:00	84:00	34,145.50	406.49
Proceedings & recoveries	12:00	01:30	00:00	00:00	13:30	6,532.50	483.89
Realisation of assets							
Freehold & leasehold properties	56:00	15:00	31:06	00:00	102:06	40,487.00	396.54
Book debts collection	00:00	01:00	00:00	00:00	01:00	395.00	395.00
Tangible assets	00:00	00:00	05:06	00:00	05:06	1,110.00	217.65
Creditors							
Secured creditors	03:00	00:30	07:06	00:00	10:36	3,244.50	306.08
Unsec'd Creditors: <i>correspondence & claims</i>	16:30	02:54	08:48	00:00	28:12	10,911.00	386.91
Trading							
Admin, strategy and planning	00:00	00:00	02:30	00:00	02:30	300.00	120.00
<i>Total hours and costs</i>	<i>140:30</i>	<i>57:36</i>	<i>153:00</i>	<i>02:36</i>	<i>353:42</i>	<i>121,955.50</i>	<i>344.80</i>

AM10

Notice of administrator's progress report

Presenter information

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

Contact name	Paul Cooper
Company name	David Rubin & Partners
Address	26-28 Bedford Row
Post town	Holborn
County/Region	London
Postcode	W C 1 R 4 H E
Country	UK
DX	
Telephone	020 7400 7900

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse