



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 8 9 2 0 7 1 7

Company name in full Drogo Developments Ltd

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

### 2 Administrator's name

Full forename(s) Edward M

Surname Avery-Gee

### 3 Administrator's address

Building name/number 27

Street Byrom Street

Post town Manchester

County/Region

Postcode M 3 4 P F

Country

### 4 Administrator's name ①

Full forename(s) Daniel

Surname Richardson

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

### 5 Administrator's address ②

Building name/number 27

Street Byrom Street

Post town Manchester

County/Region

Postcode M 3 4 P F

Country

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	<sup>d</sup> 2	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3
To date	<sup>d</sup> 2	<sup>d</sup> 4	<sup>m</sup> 1	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3

**7** Progress report

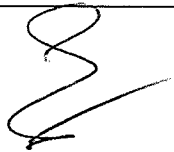
☒ I attach a copy of the progress report

**8** Sign and date

Administrator's  
signature

Signature

X



X

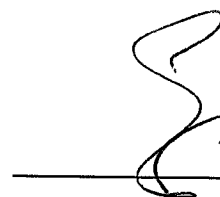
Signature date

<sup>d</sup> 1	<sup>d</sup> 9	<sup>m</sup> 1	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3
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**Drogo Developments Ltd**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 25/05/2023 To 24/11/2023 £	From 25/11/2022 To 24/11/2023 £
	SECURED ASSETS		
Uncertain	Freehold Land & Property	NIL	264,500.00
		NIL	264,500.00
	COSTS OF REALISATION		
	Legal Fees & Expenses Property Sale	2,003.00	6,173.00
	Agents Fees - Site Maintenance	95.00	1,890.00
	Insurance Costs	NIL	192.12
	Factor/Management Company Fee	NIL	782.87
		(2,098.00)	(9,037.99)
	SECURED CREDITORS		
(273,130.70)	Lowry Capital Limited	NIL	255,000.00
		NIL	(255,000.00)
	ASSET REALISATIONS		
	Cash at Bank	NIL	439.58
	Cash held by Solicitors	NIL	2,052.40
	Bank Interest Gross	5.32	6.15
		5.32	2,498.13
	COST OF REALISATIONS		
	Specific Bond	NIL	50.00
	Court fee	NIL	50.00
	Statutory Advertising	NIL	82.00
		NIL	(182.00)
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(273,230.70)		(2,092.68)	2,778.14
	REPRESENTED BY		
	Vat Receivable		394.40
	Bank 1 Current		1,185.14
	Fixed Ch Vat Receivable		1,198.60

**2,778.14**



Edward M Avery-Gee  
Joint Administrator

**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 **Edward M Avery-Gee**

Company name **CG&Co**

Address **27 Byrom Street**

Post town **Manchester**

County/Region

Postcode

**M 3 4 P F**

Country

DX

Telephone **0161 358 0210**

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

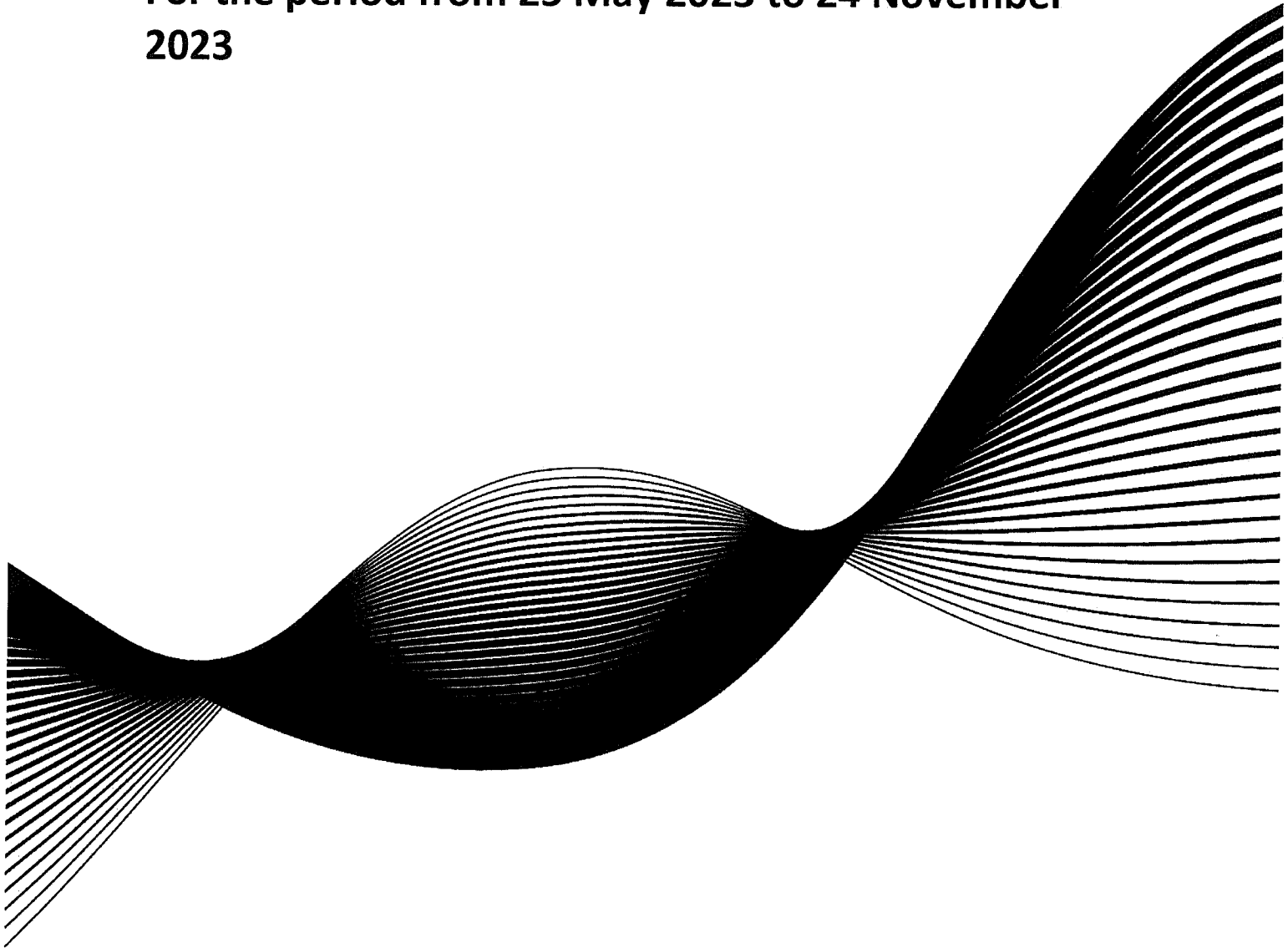
**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**



# Joint Administrators' Progress Report

**Drogo Developments Ltd - In Administration**

**For the period from 25 May 2023 to 24 November 2023**

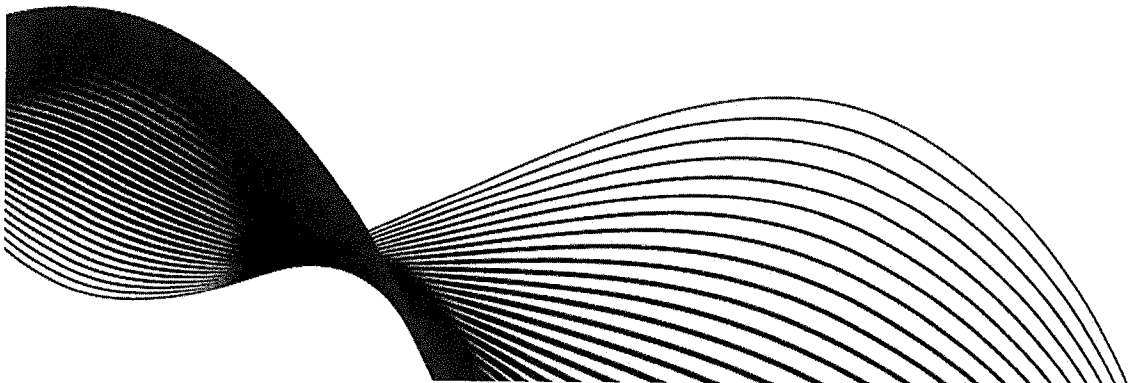


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- 6 Joint Administrators Remuneration
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- 8 Ending the Administration
- 9 Next Report

## APPENDICES

- A Receipts and Payments Account from 25 May 2023 to 24 November 2023 together with a cumulative Receipts and Payments Account from 25 November 2022 to 24 November 2023
- B Additional Information in Relation to the Joint Administrators Fees, Expenses & the use of Subcontractors



## THE ADMINISTRATORS' PROGRESS REPORT

### 1 Introduction

- 1.1 I, together with my partner Daniel Richardson, were appointed Joint Administrators of Drogo Developments Ltd (**the Company**) on 25 November 2022. The appointment was made by Lowry Capital Limited ("Lowry") First Floor, Eden Point, Three Acres Lane, Cheadle Hulme, SK8 6RL as the Qualifying floating chargeholder.
- 1.2 This Administration is being handled by CG&Co at 27 Byrom Street, Manchester, M3 4PF. The Administrators' contact details are by phone on 0161 358 0210 or via email at [info@cg-recovery.com](mailto:info@cg-recovery.com). The Administration is registered in the High Court of Justice, Business and Property Courts in Manchester, Insolvency & Companies Ltst (Chd), reference number CR2022MAN-001101.
- 1.3 As Joint Administrator, I am required to provide a progress report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This progress report covers the period from 25 May 2023 to 24 November 2023 (**the Period**) and should be read in conjunction with my earlier proposals report and previous progress reports which have been issued.
- 1.4 Information about the way that we will use, and store personal data on insolvency appointments can be found at <https://cg-recovery.com/privacy-policy-2/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.5 The trading address of the Company is 6th Floor Stockbridge House, Newcastle Upon Tyne, NE1 2HJ.
- 1.6 The registered office of the Company is C/o CG & Co, 27 Byrom Street, Manchester, M3 4PF and its registered number 08920717.
- 1.7 I would confirm that the period of the Administration has been extended to 25 November 2024. Further information on this can be found in Section 3 below.

### 2 Receipts and Payments

- 2.1 At Appendix A is my Receipts and Payments Account covering the period of this report together with a cumulative Receipts and Payments.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs.

### 3 Progress of the Administration

- 3.1 You may recall that the statutory objective being pursued in the Administration was to realise property in order to make a distribution to the secured or preferential creditors. In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.

- 3.2 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 Administrators under other related legislation.
- 3.3 As noted above, it was necessary to extend the statutory period of Administration (one year) because the asset realisations were not complete. Consent to extend the period was obtained from creditors on 21 September 2023 and the Administration will now, unless it is necessary to extend the period further come to an end on 25 November 2024.

#### ***Administration (including statutory compliance & reporting)***

- 3.4 As noted above, the Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that I anticipated would need to be done in this area was outlined in my initial fees estimate/information which was previously provided to creditors.
- 3.5 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Administrators.
- 3.6 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

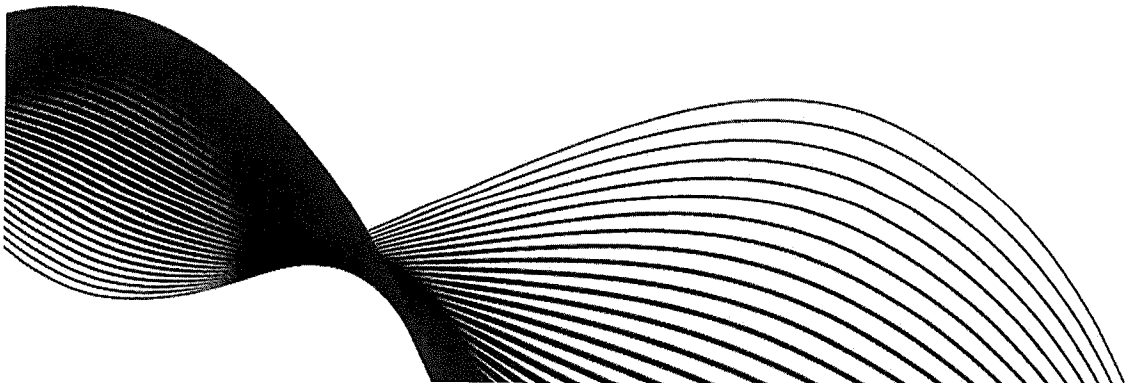
#### ***Realisation of Assets***

##### **Freehold Property – Denny Road, Larbert, Falkirk**

- 3.7 As previously reported, the property was sold in the previous reporting period on 10 March 2023. The property sale amount to £264,500. There will be no further realisations from this source.

##### **Road Bond**

- 3.8 As detailed in the Proposals, the Company required a Scottish Road Agreement bond which is a financial guarantee provided by a Bondsman to the Adopting Party (Scottish Local Authority) before work can begin on a housing development. This surety bond provides a guarantee to the Scottish Local Authority that the road will be completed to an adoptable standard.
- 3.9 Solicitors have been liaising directly with the Scottish Local Council, however information about the progress of the road being completed and any potential balance which may be available to the Company had been limited up until recently.
- 3.10 To assist with progression in this matter, I recently instructed agents to attend site and instructed solicitors to increase the pressure for a response from the Council.
- 3.11 As a result, I have recently been advised that the Council have now been provided with costings in respect of the required road works, which will enable the release of the bond. The estimated surplus that is available is circa £117,000. At present there is scheduled release date of the funds but it is hoped that this will be done in the forthcoming months.





## **Cash at Bank**

- 3.12 The cash at bank in the sum of £439.58 was realised in the previous accounting Period.
- 3.13 No further funds are anticipated from this source.

## **Cash Held with Solicitors**

- 3.14 The funds held by solicitors in the sum of £2,052.40 was realised in the previous accounting Period.
- 3.15 It is not anticipated that any further realisations will be generated from this source.

## **Gross bank interest**

- 3.16 Gross bank interest has been received in the sum of £5.32 for the current Period. Total gross interest amounts to £6.15.

## ***Creditors (claims and distributions)***

- 3.17 Administrators are 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.
- 3.18 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.
- 3.19 Work undertaken by Administrators in dealing with a company's creditors may only bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, 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 Administrators in dealing with those claims.
- 3.20 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.
- 3.21 At this stage, I consider the following matters worth bringing to the attention of creditors:
- There is one secured creditor in this matter, Lowry.
  - I am not aware of any claims from preferential creditors

- A claim has been received from HMRC in relation to a secondary-non preferential creditor claim.
- The director has not provided a Statement of Affairs. To date, the Joint Administrators have received three unsecured creditor claims, totalling £12,465.60.

## **Investigations**

- 3.22 Some of the work 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 Administrators can pursue for the benefit of creditors.
- 3.23 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 3.24 Shortly after appointment, I 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 (where held) or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

## ***What remains to be done in the Administration***

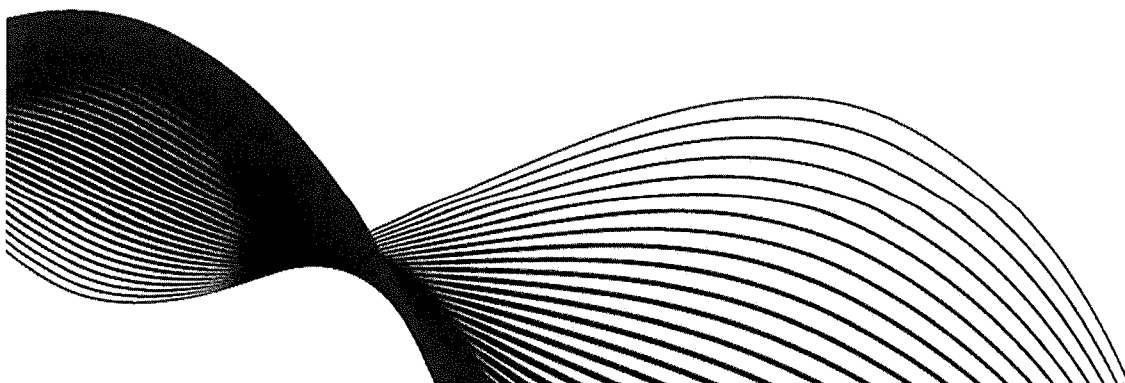
- 3.25 As detailed earlier in this report, the remaining asset to be realised is funds from the road bond, it is anticipated a distribution to the secured creditor and potentially secondary preferential creditor will be declared once we are in receipt of funds.

## **4 Estimated Outcome for Creditors**

- 4.1 At the present time, it is anticipated there will be insufficient funds realised after defraying the expenses of the Administration to pay a dividend to creditors, other than to the secured and/or preferential creditors and as a result, it is anticipated the Company will move to dissolution once the Administrators' work is complete. Further updates will however be provided in future progress reports.

## ***Secured Creditors***

- 4.2 Lowry hold a debenture containing fixed and floating charges, which was created on 28 April 2020 and delivered to the Registrar of Companies on 4 May 2020. Lowry also holds a legal mortgage over the Property, which was created on 1 May 2020 and delivered on 4 May 2020.
- 4.3 The Company granted a floating charge to Lowry on 4 May 2020. Accordingly, the Joint Administrators are required to create a fund out of the Company's net floating charge property for the benefit of unsecured creditors (known as the **Prescribed Part**).



- 4.4 Based on present information, it is estimated that the value of the Company's net floating charge property is nil, as it does not appear that the Company owns any property which would be subject to a floating charge. Accordingly, the value of the Prescribed Part is £Nil. Please be aware that the value of this fund is likely to fluctuate during the course of the Administration and further updates will be provided in our progress reports in due course. Accordingly, the Joint Administrators do not propose making an application under S176A (5) of the Insolvency Act 1986.
- 4.5 As at the date of their demand to the Company, Lowry were owed £273,231 plus accruing interest and charges.
- 4.6 To date the sum of £255,000 has been remitted to Lowry. Lowry are presently indebted in the sum of £40,750.70 plus further interest and charges.

***Preferential Creditors***

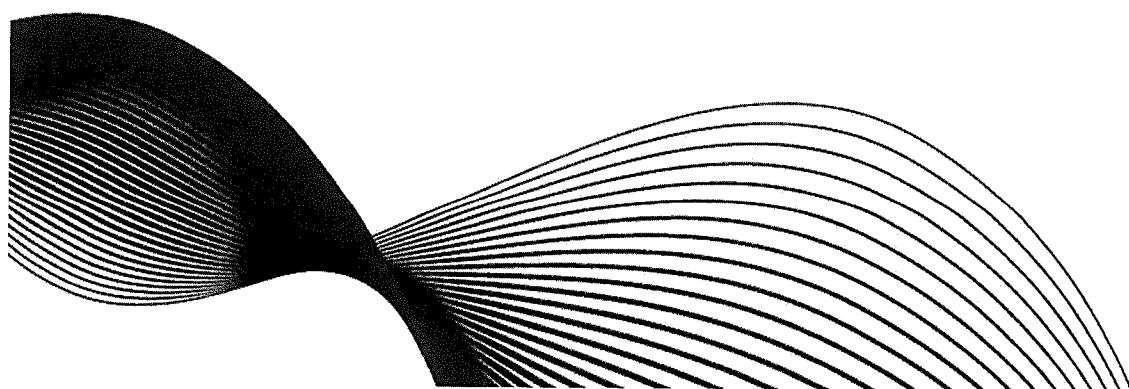
- 4.7 I am not aware of any preferential claims in the Administration.
- 4.8 As of 1 December 2020, as per Section 386 and Schedule 6 of the Insolvency Act 1986, HMRC will acquire secondary preferential status, where an insolvency entity owed VAT, PAYE income tax, Employees NICs or Construction Industry Scheme deductions.
- 4.9 Since the Joint Administrators appointment, HMRC has submitted a claim in the sum of £90,387 in respect of a secondary preferential creditor claim.
- 4.10 It is currently uncertain whether there will be sufficient funds to enable a distribution to the secondary preferential creditor until the position with the road bond is concluded.

***Unsecured Creditors***

- 4.11 The director has failed to provide an estimated statement of affairs and the creditor information remains limited.
- 4.12 As previously reported, three unsecured creditor claims have been received in the Administration. These claims relate to monies owed to other residents of the development which appear to have occurred prior to the Joint Administrators appointment.
- 4.13 Based on present information, it is estimated that the value of the Company's net floating charge property is nil, as it does not appear that the Company owns any property which would be subject to a floating charge. Accordingly, the value of the Prescribed Part is £Nil. Please be aware that the value of this fund is likely to fluctuate during the course of the Administration and further updates will be provided in our progress reports in due course. Accordingly, the Joint Administrators do not propose making an application under S176A (5) of the Insolvency Act 1986.

**5 Pre-administration Costs**

- 5.1 I would confirm that there are no pre-administration costs in this case, with the exception of the necessary court application fee of £50.



## 6 Joint Administrators' Remuneration

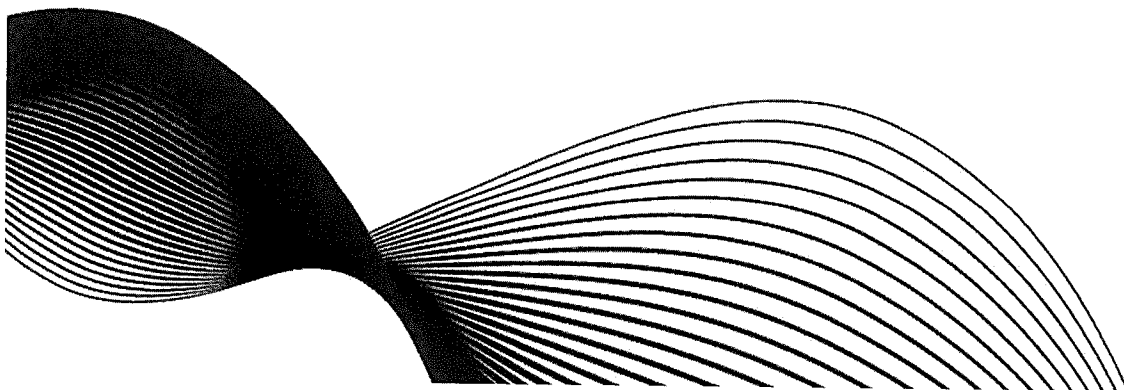
- 6.1 As previously advised, the Joint Administrators have not sought to fix the basis of their remuneration by reference to time properly spent by them and their staff in attending to matters arising in the Administration and we are therefore not required to provide a fees estimate to creditors. Instead the Joint Administrators are seeking their remuneration on the basis of a percentage of asset realisations which will be sought in due course.
- 6.2 To date, no remuneration has been drawn in this matter.
- 6.3 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from [www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/administration-a-guide-for-creditors-on-insolvency-practitioner-fees](http://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/administration-a-guide-for-creditors-on-insolvency-practitioner-fees).
- 6.4 Attached at Appendix B is additional information in relation to the Administrators' fees, expenses and the use of subcontractors and other professional advisers.

## 7 Creditors' Rights

- 7.1 Within 21 days of the receipt of this report, 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.
- 7.2 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.

## 8 Ending the Administration

- 8.1 Based on current information, the Joint Administrators think that the Company has insufficient property to permit a distribution to the unsecured creditors and that there may only be a distribution available to the secured and/or preferential creditors of the Company. As a result, once these distributions have been made, a notice will be filed at Court and with the Registrar of Companies with the Joint Administrators' final report, for the dissolution of the Company.
- 8.2 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.



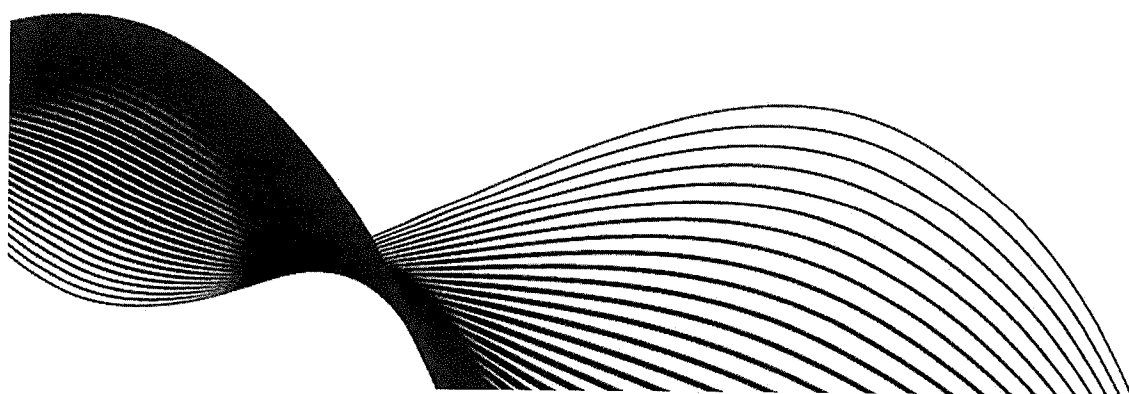
## 9 Next Report

- 9.1 The Administrators 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 or he wishes to extend it.

For and on behalf of  
Drogo Developments Ltd



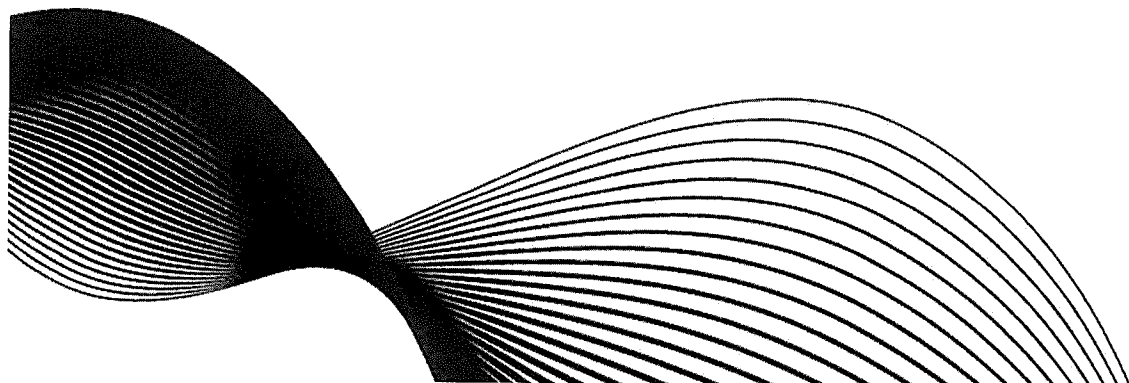
**E M Avery-Gee**  
Joint Administrator



## Appendix A

### Receipts and Payments Account from 25 May 2023 to 24 November 2023 together with a cumulative Receipts and Payments Account from 25 November 2022 to 24 November 2023

	Statement of affairs	25/05/2023 24/11/2023	25/11/2022 24/11/2023
		£	£
<b>RECEIPTS</b>			
Freehold Land & Property	Uncertain	0.00	264,500.00
Cash at Bank		0.00	439.58
Cash held by Solicitors		0.00	2,052.40
Bank Interest Gross		5.32	6.15
		5.32	266,998.13
<b>PAYMENTS</b>			
Legal Fees & Expenses Property Sale		2,003.00	6,173.00
Agents Fees - Site Maintenance		95.00	1,890.00
Insurance Costs		0.00	192.12
Factor/Management Company Fee		0.00	782.87
Lowry Capital Limited	-273,130.70	0.00	255,000.00
Specific Bond		0.00	50.00
Court fee		0.00	50.00
Statutory Advertising		0.00	82.00
Ordinary Shareholders	-100.00	0.00	0.00
Vat Receivable		19.00	394.40
Fixed Ch Vat Receivable		400.60	1,198.60
		2,517.60	265,812.99
<b>BALANCE - 24 November 2023</b>			<b>1,185.14</b>



## Appendix B

### Additional Information in Relation to the Joint Administrators' Fees, Expenses & the use of Subcontractors

#### Staff Allocation and the Use of Subcontractors

The 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, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

On this case we have utilised the services of the subcontractors noted below. It is considered that the cost of subcontracting this work to specialist contractors will be less than, or equivalent to, the cost of these services being undertaken by the office holder(s) or their staff and the outsourcing of this work will bring greater efficiency to this element of the work necessary in the Administration.

Service (s)	Provider	Work done/to be done	Basis of fee arrangement	Paid to date £	Anticipated total cost £
Site security	Humphrey & Gray Ltd	Security review and possession of the property	Fixed cost plus weekly set fee	1,795.00	1,795.00

#### Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
TLT Solicitors (legal advice)	Time costs plus disbursements
WJM Solicitors LLP (legal advice)	Time costs plus disbursements
Insolvency Risk Services (insurance)	Premium based on risk

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

#### Joint Administrators' Expenses

The estimate of expenses which were anticipated in the Administration was provided to creditors when the basis of my fees was approved. The table below compares the anticipated costs against those incurred to date.

## **Category 1 expenses**

These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.

<b>Expense</b>	<b>Estimated overall cost £</b>	<b>Paid in Prior Period £</b>	<b>Paid in the period covered by this report £</b>	<b>Incurred but not paid to date £</b>
Agent's fees & expenses	1,795.00	1795.00	95.00	-
Factor Management Fee	782.87	782.87	-	-
Insurance of Assets	192.12	192.12	-	-
Legal fees & expenses	8,000.00	4,170.00	2,003.00	-
Specific Penalty Bond	50.00	50.00	-	-
Statutory advertising	82.00	-	82.00	-

The legal fees will be in excess of the original estimate due to the necessity to chase the Council.

TLT solicitors are no longer acting in this matter. The file has been transferred to WJM, solicitors LLP.

## **Category 2 expenses**

These expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Please note that this firm does not charge Category 2 expenses.

