



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number	1	0	5	1	2	1	2	3
Company name in full	Magheramorne Park Limited							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	Asher
Surname	Miller

3 Administrator's address

Building name/number	26 - 28 Bedford Row
Street	
Post town	London
County/Region	
Postcode	W C 1 R 4 H E
Country	

4 Administrator's name ①

Full forename(s)	Henry
Surname	Lan

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	26 - 28 Bedford Row
Street	
Post town	London
County/Region	
Postcode	W C 1 R 4 H E
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	d	0	d	6	m	0	m	8	y	2	y	0	y	2	y	0
To date	d	0	d	5	m	0	m	2	y	2	y	0	y	2	y	1

7 Progress report

☐ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	0	d	3	m	0	m	3	y	2	y	0	y	2	y	1
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**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 **Robert Cook**

Company name **David Rubin & Partners**

Address

26 - 28 Bedford Row

Post town **London**

County/Region

Postcode

W C 1 R 4 H E

Country

DX **267 London/Chancery Lane**

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

IN THE HIGH COURT OF JUSTICE

NO CR-2020-000666

IN THE MATTER OF

MAGHERAMORNE PARK LIMITED - IN ADMINISTRATION

AND

THE INSOLVENCY ACT 1986

THE JOINT ADMINISTRATORS' SECOND PROGRESS REPORT
PURSUANT TO
PART 18 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE PERIOD 6 AUGUST 2020 TO 5 FEBRUARY 2021

CONTENTS

- a. Introduction
- b. Statutory information
- c. Joint Administrators' names and addresses
- d. Any Changes to 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 6 August 2020 to 5 February 2021
- B. Cumulative Receipts and Payments Account from 6 February 2020 to 5 February 2021
- C. Time Analysis for the period 6 August 2020 to 5 February 2021
- C. Cumulative Time Analysis for the Period from 6 February 2020 to 5 February 2021

MAGHERAMORNE PARK LIMITED - IN ADMINISTRATION

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

(a) Introduction

I refer to the appointment of Henry Lan and myself as Joint Administrators of Magheramorne Park Limited. The appointment was made by the Secured Creditor, GSA Oil PTE. Ltd (“GSA”) pursuant to Paragraph 12 of Schedule B1 to the Insolvency Act 1986 (“the Act”). As the next six months’ anniversary has recently passed, I am pleased to provide creditors with my second 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 reports to creditors.

Rule 18.3: Progress Report

(b) Statutory information

- (i) Court: High Court of Justice, Chancery Division, Companies Court
Reference Number: CR-2020-000666
- (ii) Company name: Magheramorne Park Limited
Company number: 10512123
Registered office: 9 Bonhill Street, London, EC2A 4DJ
Trading Addresses:
 - (1) Magheramorne Quarry, Larne, Co Antrim, BT40 3HT
 - (2) 100 Shore Road, Magheramorne, Larne, Co Antrim, BT40 3HT

(c) Joint Administrators’ names and address:

Asher Miller and Henry Lan, both of David Rubin & Partners, 26-28 Bedford Row, London, WC1R 4HE were appointed Joint Administrators of the Company on 6 February 2020. This appointment was made by the Secured Creditor GSA, pursuant to paragraph 12 of Schedule B1 to 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.

(d) Any changes to the Office Holders

We were appointed Joint Administrators of the Company on 6 February 2020. There has not been a change to the Office Holders since the original appointment.

As it was apparent that the Administration could not be concluded within the statutory 12 month term, we approached the secured creditor GSA to request an extension of the administration for a period of one year, pursuant to paragraphs 76(2)(b) and 78(2)(a) of Schedule B1 to the Insolvency Act 1986 (“IA86”).

Accordingly, GSA approved our request for an extension to the term of the Administration which will now automatically expire on 5 February 2022.

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

You may recall that the statutory objective being pursued in the Administration was Purpose C, realising property to make a distribution to the secured creditor. In addition to the pursuance of this statutory objective, the Joint Administrators 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 Administrator 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 together with a cumulative time analysis covering the period since our appointment. Our fees estimate was originally provided to creditors when the basis of our remuneration was approved and was based on information available to me at that time. More details explaining the work undertaken by the Joint Administrators in the period are set out in Appendix A.

As previously reported, the Joint Administrators instructed specialist property agents Lambert Smith Hampton (“LSH”), to market and sell the Company’s main asset, being the Magheramorne Quarry (“the Site”) in Northern Ireland.

The marketing of the Site included particulars being listed on various property websites, including Rightmove and Zoopla Commercial; as well as details being circulated to potential interested parties on LSH’s own substantial database.

LSH received 24 enquiries which resulted in five initial offers being received which ranged from £600,000 to £1.4million. There were a number of queries raised in respect of the title registrations for the Site, which were complex and therefore the Joint Administrators instructed solicitors Peden & Reid Solicitors (“P&R”) to review the title registration documents. This required obtaining and reviewing copy documentation from the Company’s former solicitors who acted on the original purchase, so that the information could be verified.

The Joint Administrators together with LSH considered the offers received and then instructions were given to LSH to revert back to the interested parties requesting their final and best offers. This resulted in improved offers being received ranging from £600,000 to £2,076,000, of which the highest offer was submitted by North East Plant Limited (“NEPL”).

Together with LSH, the final bids were considered and due diligence and proof of funding checks were undertaken to consider the credibility of the offers received. Following these checks, the Joint Administrators accepted the offer of NEPL.

The Joint Administrators and their staff also undertook investigations into the VAT account of the Company and whether the Site was previously elected for VAT. The Joint Administrators obtained the requisite confirmation from HM Revenue & Customs that the Site was previously elected for VAT.

The Joint Administrators instructed solicitors, P&R to commence contract negotiations with the legal representatives of NEPL. A sale contract was subsequently entered into with

MAGHERAMORNE PARK LIMITED - IN ADMINISTRATION

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

Magheramorne Quarry Regeneration Limited (“MQRL”) a special purpose vehicle set up for the purposes of the acquisition.

As a condition of the original purchase of the Site by the Company from Tarmac Cement & Lime (“Tarmac”) the Company was obliged to pay an overage payment equivalent to 10% of the total sale proceeds to Tarmac. Therefore, the Joint Administrators, together with LSH and P&R had to review the overage conditions and agree with Tarmac that the disposal market value had been achieved, which was subsequently confirmed.

We are pleased to report that the sale of the Site to MQRL was completed shortly before the end of this reporting period on 29 January 2021 and the total proceeds of £2,076,000 plus VAT was received by P&R.

P&R are retaining the sale proceeds to the order of the Joint Administrators, whilst final security validation of the GSA charge is undertaken and the costs of realisation are being finalised and discharged from the sales proceeds. The balance of the funds will be remitted to the Administration estate shortly and will be detailed in our next progress report. In addition to the sale of the Site, the Joint Administrators were in negotiations with former tenants of the Site, Fire & Blood Productions Limited (“FBPL”) regarding a reinstatement bond of £40,000 which was retained following the filming of the TV series Game of Thrones on the Site. The purpose of the restatement bond was to cover the expense of any remedial works required following FBPL’s vacation of the Site, which included lime paint whitewash applied to the cliff face. The cost of removal of the paint from the cliff face was significant and would be high risk. Therefore after further negotiations with the legal representatives of FBPL and the Joint Administrators it was agreed that the reinstatement bond be released to the client account of P&R and a deed of release was entered into with FBPL. These funds will also be remitted to the Administration estate shortly.

A receipts and payments account is attached at Appendix B, which is further explained below. For details of any assets realised and payments made prior to this period, please refer to the previous progress reports, copies of which are available upon request.

1. Receipts

1.1 Land and Property at Magheramorne Quarry

As detailed above, the Site was sold to MQRL in the sum of £2,076,000 plus VAT, which has been received by my instructed solicitor in full. The funds currently reside within their client account and will be transferred to the Administration estate after deduction of costs and the secured liability.

1.2 Bank interest gross

Interest earned on the funds in hand amounts to £13.99 of which £2.56 was received during this reporting period.

1.3 Charge for Access

The sum of £250 was received from Adman Civil Projects Ltd (“ACP”), for access to the Site to conduct inspection of the railway line running through the Site.

This sum covered the costs of security personnel attending the Site to enable access for ACP.

MAGHERAMORNE PARK LIMITED - IN ADMINISTRATION

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

1.4 Third Party Funds

The sum of £4,140 was received from GSA in order to pay on going security costs for the Site. This is to be repaid in the next reporting period from the sale proceeds of the Site.

1.5 Reinstatement Bond

As detailed above, the sum of £40,000 was recovered in full and final settlement of all claims for remedial works by the former tenant, FBPL. These funds were duly received in full by my instructed solicitors and the funds will be remitted to the Administration estate shortly.

2. Payments

2.1 Security Costs

The sum of £16,500 has been paid to GS Agencies Ltd during this reporting period. Of this total £15,800 relates to Security provided between July and December 2020, which is charged at a rate of £150 per day. In addition a further £700 was paid in relation to locksmith charges incurred.

2.2 Ground Rent

The sum of £44.04 was paid to Amey TPT Limited in respect of historic arrears of ground rent at the Site in respect of crossing rights over the Belfast to Larne railway line.

2.3 Specific Bond

The sum of £189.60 has been incurred in respect of the specific bond, which is the cost of insurance in respect of realisations by the Joint Administrators as required by the Insolvency Practitioners Regulations 2005.

2.4 Stationery and Postage

The amount of £18 has been spent on postage and £46.71 on stationery circulating correspondence to the relevant parties notifying them of the Administration and the Joint Administrators' Appointment.

2.5 Sundry Expenses

A payment of £345 plus VAT has been paid to locksmiths, Rea Brothers Engineering Ltd who had to attend the Site to repair access gates following vandalism.

3. Payments incurred but not yet recharged to the estate

3.1 Costs Incurred in relation to the disposal of the Site

The below sets out the costs incurred in relation to the disposal of the Magheramorne Quarry site, which is also explained in further detail below.

MAGHERAMORNE PARK LIMITED - IN ADMINISTRATION**Sixth Months Progress Report pursuant to part 18 of the Insolvency (England and Wales) Rules 2016**

<u>Expense</u>	<u>Paid to date</u> <u>(£)</u>	<u>Projected</u> <u>Cost (£)</u>	<u>Total Projected</u> <u>Cost (£)</u>
Overage Provision to Tarmac	NIL	207,600.00	207,600.00
Legal Fees – P&R	NIL	45,654.55	45,654.55
Legal Fees - HCR	NIL	2,900.00	2,900.00
Legal Fees - HD	NIL	2,500.00	2,500.00
Agents Fees - LSH	NIL	52,610.67	52,610.67
Agents Fees - WMG	3,000.00	45,000.00	48,000.00
Security	26,957.30	4,773.00	31,730.30
Ground Rent	44.04	5,628.38	5,672.42
Utilities	NIL	159.05	159.05
Travel Expenses	244.34	NIL	244.34
Total	30,245.68	366,825.65	397,071.33

3.1.1 Overage Provision

As detailed above, it was a condition of the purchase of the Site from Tarmac that a overage provision be applied, which entitles Tarmac to 10% of the sale proceeds, which equates to £207,600 plus VAT. Since the reporting date, this has been paid.

3.1.2 Legal Fees – P&R

The amount of £45,078.75 plus disbursements of £575.80 exclusive of VAT, is due to Peden & Reid Solicitors (“P&R”) in respect of their fees for their initial advice in relation to the legal title of the Magheramorne quarry Site and advising the Joint Administrators and their agents, LSH in relation to a proposed sale and conducting the sale, preparing all sale documentation and dealing with buyer queries.

P&R were selected on the basis of their experience and expertise in dealing with property matters in Northern Ireland. The agreed basis of P&R’s fees is a combination of time costs and a percentage of the potential property sale, which is detailed below. P&R have also provided me with details of the time incurred to date.

	<u>£</u>
A charge of 1% of the sale proceeds	£20,760.00
Time costs incurred up to 5 February 2021	£21,781.25
Estimated future time costs	£2,537.50
Disbursements	£575.80
Total	£45,654.55

3.1.3 Legal Fees – HCR

The amount of approximately £2,450 plus disbursements of £450, in respect of Counsels fees, exclusive of VAT, is due to Harrison Clark Rickerbys solicitors (“HCR”) in respect of their fees for their initial advice and assistance in relation to the recognition of the Insolvency proceedings in Northern Ireland, as the Administration proceedings were instigated in the High Court of Justice in England.

HCR Solicitors have a specialist Insolvency department and had prior knowledge of this case, having previously acted in relation to the Administration application and

they were chosen on that basis after taking into account the size and complexity of the legal issues. HCR Solicitors will charge their fees on a time costs basis.

3.1.4 Legal Fees – HD

The amount of approximately £2,500 exclusive of VAT has been incurred by Hill Dickinson solicitors (“HD”) in respect of their fees for their review and advice in respect of the security held by GSA and confirmation of the validity of the security to the Joint Administrators prior to any settlement of the debt due to GSA.

HD Solicitors have a specialist Insolvency department and they were chosen on that basis after taking into account the size and complexity of the legal issues. HD Solicitors will charge their fees on a time costs basis.

3.1.5 Agents fees - LSH

The amount of £51,900 plus disbursements of £710.67, exclusive of VAT, is due to LSH in respect of their fees for attending the Site in Northern Ireland and marketing the Site for sale and dealing with prospective purchasers and assisting in the sale thereof.

LSH was selected as agents on the basis of their experience and expertise in dealing with valuations and sale of assets in insolvency situations, taking into account the locality and size of the Company. The agreed basis of LSH fees was 2.5% of the sale proceeds achieved plus disbursements.

3.1.6 Agents Fees - WMG

The amount of £45,000 is due to WMG Meenan / Loughview Limited (“WMG”) in respect of their fees for providing all work necessary to initially secure the Site, co-ordinating site visits and attending on site and assisting in relation to site security, legal and other property related issues in connection with the sale.

WMG were selected as agents on the basis of their experience and expertise and local knowledge of the Site and acted as the Joint Administrators’ agents in Northern Ireland, who assisted with all issues arising from the Site. This includes liaising with external agents such as security, solicitors, valuation agents and any third party contractors requiring access. The agreed basis of WMG’s fees was on a monthly fixed fee of £4,500, exclusive of VAT.

3.1.7 Security Costs

Further to Paragraph 2.1 above, GS Agencies Ltd are owed £4,650 plus VAT for Security provided in January 2021. In addition the sum of £123 has been incurred in respect of locksmith charges.

3.1.8 Ground Rent

The sum of £5,628.38 exclusive of VAT is due to be paid to The Crown Estate in respect of historic ground rent due for the shoreline and jetty located on the Site and it was a condition of the sale that all arrears were paid.

3.1.9 Utilities

The sum of £159.05 is due in respect of utility supplies to the Site during the Administration period and will be paid shortly.

3.2 General Legal fees

Further to 3.1.2 above, the amount of £3,150 exclusive of VAT has been incurred by P&R in respect of their services and advice in relation to recovery of the Reinstatement Bond, including negotiations with the legal representatives of FBPL and preparation of the settlement documentation.

P&R Solicitors were chosen on the basis of their working knowledge of the case and after taking into account the size and complexity of the legal issues. P&R Solicitors charge their fees on a time costs basis and they have provided me with details of the time they have spent.

(f) Joint Administrators' Remuneration and Expenses

- i) The Joint Administrators' remuneration specifically excluding time in dealing with the property sale and secured creditor was fixed by reference to time spent in attending to matters arising in the Administration. The Joint Administrators fees in connection with the property sale and dealing with the secured creditor have been agreed on a percentage basis. A statement of remuneration charged and description of work undertaken are provided at Appendix A.
- 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

GSA Oil Pte Limited ("GSA") holds a fixed charge over the Company's assets, created on 19 September 2017 and registered at Companies House on 7 October 2017. This debenture has now been validated by instructed solicitors, HD and the charge is in good order. GSA have advised the Joint Administrators that the outstanding balance as at 31 January 2021 is £992,806.57 including interest, charges, fees and other costs recoverable under the loan agreement and associated documentation and interest continues to accrue on the amount outstanding at a daily rate of circa £490.

It will be our intention to make an interim payment to GSA shortly in the region of £930,000 subject to interest, whilst it has been agreed that funds will be retained in relation to a potential Withholding Tax liability, whilst we conduct our enquiries into this sum.

(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.

However, this does not apply as there is no floating charge in place.

(ii) Preferential creditors

There are no preferential creditors.

(iii) Unsecured creditors

As funds may now become available for unsecured creditors, the Joint Administrators will be requesting creditors to submit their claims so that they can be established in principle for subsequent adjudication by the Liquidator.

As at the date of this report the claims of seven creditors, with a total value of £299,481.53, have been received but none have been adjudicated. There remain three creditors who were listed on the Statement of Affairs for the sum of £81,968.21 who have yet to submit their claim in the Administration.

(h) Details of what remains to be done

As detailed in paragraph (e) above, the sale of the Site has recently completed and our immediate priority is to settle all outstanding costs and fees from the sale proceeds. Further time will need to be spent on reviewing the tax affairs of the Company and other lines of enquiry will also be reviewed. However as it is now possible that there will be sufficient funds in this matter to permit a distribution to unsecured creditors, it may be necessary for the Joint Administrators to move the Company from Administration into Creditors Voluntary Liquidation. Creditors will be informed accordingly.

(i) Other information of relevance to creditors:

Investigations

You may recall from our first progress report to creditors that 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 can be pursued for the benefit of creditors.

Our report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.

Since our last progress report we would advise that a number of lines of enquiry have been identified that will need further investigation by the Joint Administrators and subsequent Joint Liquidators. However, we are unable to divulge any specific details at this juncture in order to not prejudice our on-going investigations. Further updates will be provided to creditors in our subsequent progress reports.

MAGHERAMORNE PARK LIMITED - IN ADMINISTRATION

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

(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 our Manager, Robert Cook, or his assistant, Hannah Gilkes at this office.



ASHER D MILLER FCA - JOINT ADMINISTRATOR

DATE: 3 MARCH 2021

APPENDIX A

JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

1. **Joint Administrators' Remuneration**

We have now reviewed our firm's time costs, and specifically excluding time in dealing with the secured asset and creditor, we would advise that from the date of our last progress report, being 6 August 2020 to 5 February 2021, the total time costs amount to £51,174.50 for 139.36 hours, which equates to an average cost of £366.58 per hour. A breakdown of these time charges is set out in Appendix C.

We have also reviewed our cumulative time costs for the period from 6 February 2020 to 5 February 2021 and would report that our total time costs, specifically excluding time in dealing with the secured asset and creditor, are £110,415.50 for 41.06 hours, which equates to an average cost of £360.60 per hour. A breakdown of our time charges is also set out in Appendix C. To date £25,000 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.

We have not utilised the services of any subcontractors in this 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.

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 a Decision of Creditors was passed on 15 April 2020 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, specifically excluding the time dealing with the secured asset and creditor. Further it was approved that 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 decisions, we have drawn fees of £25,000 plus VAT and I would confirm that my fees estimate for the Administration, excluding time spent in dealing with the secured asset and creditor, remains unchanged.

We can also confirm that our fees in relation to dealing with the secured asset and secured creditor was agreed with the secured creditor on the following percentage basis:

	£
A charge of 11% of the gross realisations up to a value of £2,000,000	£220,000.00
Secondly a charge of 25% of the gross realisations achieve above the sum of £2,000,001	£18,999.75
Total	£238,999.75

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
Support Staff	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

This section should be read in conjunction with the main report and previous progress reports.

The main tasks of the Joint Administrators and their staff were to attend the Company's site at Magheramorne Quarry ("the site") to evaluate the size and complexities associated with securing the site, the condition of various outbuildings and the on-going security and access requirements.

Following the site visit, the Joint Administrators together with their appointed agents Lambert Smith Hampton ("LSH") collated information to develop a suitable marketing strategy and marketed the site for sale. This resulted in a number of offers being received, with further rounds of information provision, negotiation and extraction of best and final bids which is detailed further in the main report.

Following acceptance of the highest offer, we instructed solicitors to prepare the sales documentation and liaise with the buyer's solicitors to deal with any queries raised.

Furthermore, the site was subject to an overage provision, which obliged the Company to pay 10% of the sale proceeds to the former owner. This required our further involvement together with LSH and our solicitors in order to agree that the market value had been achieved and agreed amongst all parties.

In addition to the site, the Company had a claim to a reinstatement bond of £40,000 ("the bond") which was held in a solicitor's client account, which was paid by the production company for the filming of the Game of Thrones ("GoT") television series. The bond was to cover the costs of any remedial works required following the vacation of the site after filming GoT had completed. Time was spent by the Joint Administrators team in assessing the remedial works required on site and extensive time was spent negotiating a settlement.

The strategy of delegation employed allowed us to staff this assignment with a maximum one partner, of one senior manager, one assistant manager, one senior administrator and one junior member, plus cashiering assistance as required. We consider that for an assignment of this scale and complexity, that strategy has saved considerable time costs that might otherwise have been incurred.

4. Other Issues affecting costs

Due to the size of the site and its former high profile use as a set from the popular television series GoT, the security and access for the site was of great concern to the Joint Administrators. Therefore time has been spent liaising with our insurance brokers and arranging suitable cover for the Administration. This also required a site visit by a Senior Manager and LSH to view the site.

Security specialists, GSA Agency Ltd ("GSA") were employed due to the nature of the site as it has been reported that fans of GoT have attempted to gain access and there has been a number of trespass incidents, requiring GSA to attend. The police have also been involved and there are a number of cautions that have been given to individuals. Whilst the site was difficult to patrol, the Joint Administrators are confident that all the essential measures with the assistance of GSA were implemented.

Due to the complex nature of the land title for the site, further time was spent liaising with our agents and instructed solicitors in review the title documentation including an overage provision to the benefit of the former owners and considering any implications to the sale this may have.

Further time has been spent dealing with numerous parties with interest in the site including a charity running an Oxygen Therapy centre, a local oyster farmer requiring access to the shoreline, the RSPB who required access to the site to conduct works on a nature reserve located on 'Blue Circle Island' and agents of Rail network requiring access.

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

- i) Opening a designated bank account and dealing with the movement of funds from Danske Bank, including various calls and meeting their security requirements to ensure funds can be released to the Administration estate;
- ii) Applying for the Joint Administrators' bonds, as required by the Insolvency Practitioners Regulations 2005;
- iii) Publishing the necessary statutory advertisement in respect of the Administration proceedings in the Times and the London and Belfast Gazette;

- iv) Completing various searches at Companies House and to obtain statutory information on the Company;
- v) Submitting a VAT 769 notifying HMRC that the Company is now in Administration and requested that the Company be deregistered for vat;
- vi) Completing all statutory notifications of the appointment of Administrators and noting their interest in the estate.
- vii) Acknowledging creditors' claims, answering telephone enquiries and correspondence therewith, dealing with ;
- viii) Preparing the Joint Administrators Statement of Proposals and Report.
- ix) Corresponding with the Directors regarding their requirement to provide a Statement of Affairs and provide assistance with its preparation.
- x) Liaising with existing occupiers of properties located onsite and evaluating ongoing access and utilities requirements.
- xi) Instructing insurance brokers to evaluate the insurance requirements for the site and dealing with all queries in relation to the insurance cover held by the Company and the Joint Administrators on-going requirements.
- xii) Attending the site in Northern Ireland with LSH to establish the site requirements and marketing strategy.
- xiii) Regular updates with LSH with interest received into the site and strategy to advance negotiations to conclude a sale.
- xiv) Liaising with instructed solicitors throughout the sale process and regular correspondences and meetings to progress the sale to a conclusion.
- xv) Negotiations and settlement with former tenants regarding the reinstatement bond.
- xvi) Corresponding with third parties regarding site access and making security arrangements.
- xvii) Initial review and investigation into the remedial works completed and funds retained by associated party.
- xviii) Preparation and submission of the Joint Administrators' report on the conduct of the directors pursuant to the requirements of the Company Directors Disqualification Act 1986.
- xix) Reviewing the charge given to the secured creditors and agreeing their claim, including regular communications and updates.

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: M556@drco.co.uk

PASSWORD: 655Myl*!

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

5. **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 Administrator provide further information about his 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 Administrator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrator, as set out in this progress report, are excessive.

6. 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

Magheramorne Park Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 06/08/2020 To 05/02/2021 £	From 06/02/2020 To 05/02/2021 £
580,000.00	SECURED ASSETS		
	Land & Property at Magheramorne Quarry	2,076,000.00	2,076,000.00
		<u>2,076,000.00</u>	<u>2,076,000.00</u>
	COSTS OF REALISATION		
	Agents Fees - WMG	NIL	3,000.00
	Security	16,500.00	26,957.30
	Ground Rent	44.04	44.04
		<u>(16,544.04)</u>	<u>(30,001.34)</u>
(538,272.74)	SECURED CREDITORS		
	GSA Oil PTE Ltd	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	ASSET REALISATIONS		
	Bank Interest Gross	2.56	13.99
55,000.00	Cash at Bank	NIL	55,230.69
Uncertain	Cash held in Arc Investments	NIL	NIL
	Charge for Access	250.00	4,250.00
	Insurance Refund	NIL	1,844.94
	Scaffolding	NIL	15,000.00
	Third Party Funds	4,140.00	4,140.00
	Reinstatement Bond	40,000.00	40,000.00
		<u>44,392.56</u>	<u>120,479.62</u>
	COST OF REALISATIONS		
	Applicants Costs	NIL	15,407.50
	Bank Charges	NIL	15.00
	Joint Administrators' Fees	NIL	25,000.00
	Pre-Administration Time Costs	NIL	1,876.50
	Specific Bond	189.60	189.60
	Stationery & Postage	64.71	64.71
	Statutory Advertising	NIL	429.30
	Sundry Expenses	345.00	509.00
	Travel Expenses	NIL	244.34
		<u>(599.31)</u>	<u>(43,735.95)</u>
(288,826.86)	UNSECURED CREDITORS		
	HM Revenue & Customs (VAT)	NIL	NIL
(153,500.00)	Shareholder Loans	NIL	NIL
(163,209.65)	Trade & Expense Creditors	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1,500.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(510,309.25)		<u>2,103,249.21</u>	<u>2,122,742.33</u>
	REPRESENTED BY		
	Current Account		2,399.67
	Funds in transit held in solicitors client account		2,531,200.00
	Vat Control Account		1,232.66
	Vat Payable		(415,250.00)
	Vat Receivable		3,160.00
			<u>2,122,742.33</u>

MAGHERAMORNE PARK LIMITED - IN ADMINISTRATION

JOINT ADMINISTRATORS' TIME COSTS							
FOR THE PERIOD 6 AUGUST 2020 TO 5 FEBRUARY 2021							
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	07:24	44:30	16:00	01:48	69:42	24,732.50	354.84
Investigations	00:00	11:18	00:00	00:00	11:18	4,463.50	395.00
Realisations of assets	01:24	53:36	01:42	00:00	56:42	21,484.50	378.92
Creditors	00:00	01:00	00:54	00:00	01:54	494.00	260.00
Total hours and costs	08:48	110:24	18:36	01:48	139:36	51,174.50	366.58

JOINT ADMINISTRATORS' CUMULATIVE TIME COSTS							
FOR THE PERIOD FROM 6 FEBRUARY 2020 TO 5 FEBRUARY 2021							
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							
IPS set up & maintenance	00:00	00:00	00:36	00:00	00:36	163.50	272.50
Statutory filings, circulars, notices, etc.	00:42	17:00	07:36	00:00	25:18	7,850.00	310.28
Case planning, strategy & control	06:18	28:12	05:30	00:00	40:00	14,845.00	371.13
Taxation: PAYE, C/Tax & VAT	00:30	02:30	04:54	00:00	07:54	2,181.00	276.08
Accounting & Cashiering	00:00	00:00	02:06	04:18	06:24	1,380.00	215.63
Case reviews & Diary maintenance	02:24	18:30	03:48	00:00	24:42	9,387.00	380.04
Statutory reporting and compliance	22:24	50:06	15:00	00:00	87:30	32,566.50	372.19
Investigations							
CDDA preparation & reporting	01:30	02:30	05:30	00:00	09:30	2,763.00	290.84
SIP2 assessment and financial review	01:30	02:12	03:36	00:00	07:18	2,525.00	345.89
Antecedant transactions	00:24	11:54	01:24	00:00	13:42	5,284.50	385.73
Proceedings & recoveries	00:00	03:18	00:00	00:00	03:18	1,303.50	395.00
Realisation of assets							
Book debts collection	01:30	13:42	00:00	00:00	15:12	6,095.50	401.02
Tangible assets	02:24	52:24	04:06	00:00	58:54	22,087.50	375.00
Creditors							
Unsec'd Creditors: correspondence & claims	01:30	01:30	02:54	00:00	05:54	1,983.50	336.19
Total hours and costs	41:06	203:48	57:00	04:18	306:12	110,415.50	360.60