

The Insolvency Act 1986

Administrator's progress report

Name of Company

Dunster Properties Limited

Company number

02826968

In the
High Court of Justice

(full name of court)

Court case number
10321 of 2011(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Simon Thomas
Moorfields Corporate Recovery Limited
88 Wood Street
London
EC2V 7QFNicholas O'Reilly
Moorfields Corporate Recovery Limited
88 Wood Street
London
EC2V 7QF

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

From

To

(b) Insert date

(b) 22 October 2014

(b) 21 April 2015

Signed

Joint Administrator

Dated

Contact Details.

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the public record

Simon Thomas
Moorfields Corporate Recovery Limited
88 Wood Street
London
EC2V 7QF

DX Number

0207 186 1144
DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

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COMPANIES HOUSE

Dunster Properties Limited (In Administration)

Joint Administrators' Fifth Progress Report

in accordance with

Rule 2.47 of the Insolvency Rules 1986 (as amended)

18 May 2015

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Disclaimer

This report has been prepared for the sole purpose of updating creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Dunster Properties Limited – In Administration (“the Company”)

1. Background and Statutory Information

This is the Joint Administrators' sixth progress report on the conduct of the Administration from 22 October 2014 to 21 April 2015 in accordance with the requirements of Rule 2.47 of the Insolvency Rules 1986 (as amended) (“the Rules”)

This report should be read in conjunction with the Joint Administrators' previous reports dated 18 January 2012, 2 June 2012, 1 November 2012, 8 May 2013, 21 October 2013, 16 May 2014 and 21 October 2014.

The Company entered Administration on 25 November 2011 and Simon Thomas and Robert Pick, both Licensed Insolvency Practitioners of Moorfields Corporate Recovery Limited, 88 Wood Street, London EC2V 7QF, were appointed Joint Administrators

Shelley Bullman, a Licensed Insolvency Practitioner of Moorfields Corporate Recovery Limited, replaced Robert Pick as Joint Administrator under a Court Order dated 5 November 2012. This reset the reporting periods for the Administration to six monthly periods from this date.

Nicholas O'Reilly replaced Shelley Bullman as Joint Administrator on 20 November 2013 by Order of the Court.

To date, post appointment fees of £187,742.00 have been drawn in respect of the Administration. Further information regarding fees is given in section 5.

Based on current information, and as previously reported, there will be no distribution to the unsecured creditors.

Statutory information relating to the Company and the Joint Administrators' appointment is attached at Appendix I.

2. Progress of the Administration

The affairs, business and property of the Company are managed by the Joint Administrators who act as agents of the Company and contract without personal liability.

The Joint Administrators' original proposals anticipated that all classes of creditor would be repaid in full. This was based on financial information available at the time. It is now estimated that only the first ranking secured creditors, Citibank N.A., will receive a distribution. This is as a result of the shortfalls suffered from the property sales under the cross collateralisation agreement and the anticipated increased claim under the agreement. A number of factors have contributed to the change in outcome including the need to undertake costly legal action and lower than anticipated sale prices resulting in a reduced return to the Bank.

In view of the above, the first ranking secured creditor will not be paid in full and therefore there will not be a distribution to unsecured creditors. Due to the

substantial deviation from the original proposals it is necessary for me to seek to revise my original proposals in accordance with Paragraph 54 (2)(a) of Schedule B1 of the Insolvency Act 1986 and Rule 2.45 of the Insolvency Rules 1986. In order to do this, the Joint Administrators are required to call a meeting of creditors. Further details are provided at Section 8 below.

Despite numerous requests the director has not provided the Joint Administrators with a Statement of Affairs.

The Joint Administrators' receipts and payments account for the period 22 October 2014 to 21 April 2015 is attached at Appendix II. Also attached at Appendix II is a cumulative Receipts and Payments Account for the period from 25 November 2011 to 21 April 2015.

I would comment specifically as follows:

2.1 Assets still to be realised

The Joint Administrators have a potential claim to a share of the surplus proceeds from the sale of 4 Cromwell Crescent. A dividend from the sale proceeds is expected. The level of the dividend is uncertain as final accounts have not been prepared following receipt of the surplus. This surplus falls under the Banks' fixed charge security and will be distributed accordingly.

In addition, the Joint Administrators identified three property freeholds that are in the name of the Company. Sales of all three freeholds have now been completed.

No further expenses were incurred in the period of this report.

3. Pre-administration Costs

The following amounts in respect of pre-administration costs were approved in accordance with Rule 2.67A of the Rules:

Name of recipient	Brief description of services provided	Total amount approved
Moorfields Corporate Recovery Ltd	Advice given and preparation to secure fixed charge assets	£5,862.00

The pre-administration costs were reported in the Proposals dated 18 January 2012 and approval to payment has been sought and given by the secured creditors in accordance with Rule 2.67A of the Rules. However, as post-appointment remuneration has been approved by the unsecured creditors at a general meeting, it is necessary for unsecured creditors to agree pre-administration costs. In this regard, approval will be sought to be held at the meeting to be held on 4 June 2015; further details are provided at Section 8 below.

4 Joint Administrators' Remuneration

As previously reported, at a meeting of creditors held on 12 July 2012, preferential and unsecured creditors approved resolutions for the Joint Administrators to draw remuneration based on the time costs incurred by themselves and their staff in dealing with this matter

The Joint Administrators have realised assets subject to a fixed charge on behalf of the Bank and have received fee agreement from both of the fixed charge holders To date £182,742 00 has been drawn in this regard

The statutory provisions relating to remuneration are set out in Rule 2 106 of the Insolvency Rules 1986. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Insolvency Practitioners Association at www.insolvency-practitioners.org.uk (follow the link for 'Regulation and Guidance' then 'Creditors' Guides to Fees'), or is available in hard copy upon written request to the Joint Administrators offices

Attached at Appendix III is a SIP 9 time and cost analysis which provides details of the activity costs incurred by staff grade by reference to time properly spent by the Joint Administrators in managing the Administration during this period Time costs for the period from 22 October 2014 to 21 April 2014 are £10,682 31 This represents 42 17 hours at an average hourly rate of £253 31 per hour Time costs drawn in the period are £36,548 40

I also attach as Appendix III a cumulative time analysis for the period from 25 November 2011 to 21 April 2014 which provides details of my time costs since appointment Time costs to 21 October 2014 have previously been reported in full

It is the Joint Administrators' policy to delegate the routine administrative tasks to less senior staff in order to maximise the cost effectiveness of the work performed These staff are supervised by senior staff and the Joint Administrators Any matter of complexity or significance is dealt with by the senior staff on the team and the Joint Administrators

During the period since the last progress report, time has been spent in liaising with solicitors in respect of the sale of the freeholds and calculating the potential outcome for creditors and investigating the potential claim in respect of the sale proceeds of 4 Cromwell Crescent

- 4 4 Attached at Appendix IV is a schedule detailing activities undertaken together with supporting information in accordance with the Association of Business Recovery Professionals' SIP 9 This also contains additional information in relation to this firm's policy on staffing, disbursements and details of our current charge-out rates by staff grade

5 Joint Administrators' Disbursements

In accordance with SIP 9, where expenses are incurred in respect of the insolvent estate they will be recharged Such expenses can be divided into two categories

5 1 Category 1 Disbursements

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling, postage, photocopying (if external provider), statutory advertising and other expenses made on behalf of the assignment. Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No 9, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

The Joint Administrators' have incurred disbursements of £10 21 during the period but have not been drawn. These are shown on the receipts and payments account at Appendix 1. Disbursements incurred in the period but not yet drawn are detailed in section 2 4.

5 2 Category 2 Disbursements

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Moorfields for the provision of services which include an element of recharged overhead, for example, room hire or document storage. Statement of Insolvency Practice No 9 provides that such disbursements are subject to approval as if they were remuneration. Accordingly, at the aforementioned meeting, creditors passed a resolution authorising the Joint Administrators to recover Category 2 expenses and disbursements. It is our policy, in line with the Statement, to advise of any Category 2 disbursements before they are drawn.

No category 2 disbursements have been drawn in this period.

6 Prescribed Part

6 1 Under the provisions of Section 176A of the Insolvency Act 1986 the Administrators must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where the company has granted a floating charge to a creditor after 15 September 2003.

6 2 A floating charge was granted in favour of Citibank N A on 12 August 2006. The prescribed part would therefore ordinarily apply. The Prescribed Part (section 176A of the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs and preferential claims (the 'net property'), to be set aside for unsecured creditors. This equates to

- 50% of net property up to £10,000
- Plus, 20% of net property in excess of £10,000
- Subject to a maximum of £600,000

- 6 3 Based on present information the Joint Administrators estimate that, after allowing for costs, there will be no net property from which to retain and distribute the Prescribed Part

7 Estimated outcome for creditors

7 1 Secured Creditors

The Bank holds fixed and floating charges over the Company's assets. A dividend of £4,222,742.18 has been paid to the Bank under their fixed charge in respect of the Property.

The Bank also holds cross guarantees in respect of four other properties within its lending portfolio, 7a Redburn Street, Halswell House, The Old School and The Old Rectory ("the Portfolio Properties"). These properties have now been sold and a dividend of £3,731,648.00 has been paid to the Bank under their fixed charge in this regard.

The estimated shortfall to the Bank under their fixed charge is £1,106,867.40.

On 15 November 2011, Lewis Silkin LLP secured a charging order against the Company. The result of the shortfall under the charge held by the Bank is that insufficient assets are available to enable a distribution to be made to Lewis Silkin LLP.

7 2 Preferential Creditors

I have received 26 claims from employees in respect of preferential debts. Due to a lack of records I am unable to verify these claims, which have been passed to the Redundancy Payments Office, and I await confirmation that they have been accepted. It is unlikely that there will be funds available to distribute to the preferential creditors.

7 3 Unsecured Creditors

As detailed in my previous reports, following the sale of three Portfolio Properties, and the higher than anticipated costs of realisation, there are likely to be insufficient funds to repay the fixed charge creditor in full. The Joint Administrators currently anticipate there will be insufficient funds realised to enable a distribution to be made to unsecured creditors.

The total claims of unsecured creditors are currently estimated at £4,328,767 based on claims received from 34 creditors. However, to date, creditors' claims have not been adjudicated.

8 Meeting of Creditors to Revise Proposals

As detailed in paragraph 2 above, the Joint Administrators' proposals anticipated that all classes of creditor would be repaid in full based on financial information.

available at the time It is now estimated that only the first ranking secured creditors, Citibank N A , will receive a distribution Accordingly, pursuant to Paragraph 54(2)(a) of Schedule B1 of the Insolvency Act 1986, the Joint Administrators are required to convene a meeting of creditors for the creditors to approve the revised proposals

In accordance with r2 45 of The Insolvency Rules 1986, notice of the meeting is attached at Appendix V, The Joint Administrators' original proposals are attached at Appendix VI, the Statement of Revised Proposals is attached at Appendix VII and a form of proxy is attached at Appendix VIII

9 Exit from Administration

- 9 1 Based on present information it is anticipated that there will be insufficient funds to enable any distribution to the unsecured creditors It is therefore the Joint Administrators' intention to exit the Administration by way of dissolution
- 9 2 The Joint Administrators will seek to be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect

10 Creditors' rights

- 10 1 Within 21 Days of the receipt of this report, a secured creditor, or an unsecured creditor (with concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report
- 10 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 the basis fixed for the Joint Administrators' remuneration, the remuneration charged or the expenses incurred by the Joint Administrators as set out in the progress report are excessive (Rule 2 109)

If you have any queries regarding this report please contact Jack Jones of this office in the first instance I will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner

For and on behalf of
Dunster Properties Limited



S R Thomas
Joint Administrator

DDI 020 7186 1153
Fax 020 7186 1177
Email jjones@moorfieldscr.com

Simon Thomas and Robert Pick of Moorfields Corporate Recovery Limited, 88 Wood Street, London, EC2V 7QF were appointed Joint Administrators on 25 November, 2011 Shelley Bullman, also of Moorfields Corporate Recovery Limited replaced Robert Pick as Joint Administrator on 5 November 2012 by order of the Court Nicholas O'Reilly, also of Moorfields Corporate Recovery Limited, replaced Shelley Bullman as Joint Administrator on 20 November 2013 by order of the Court. The Administrators now manage the affairs, business and property of the Company The Administrators act as agents only and without personal liability

**Dunster Properties Limited
Statutory Information****Company Information**

Company Number	02826968
Registered Office	Moorfields Corporate Recovery Limited, 88 Wood Street, London, EC2V 7QF
Trading Address	Halswell House, Halswell Park, Goathurst, Bridgwater, Somerset, TA5 2DH
Principal Activity	Development & Sale of Real Estate

Appointment details

Joint Administrators	Simon Thomas (IP Number 8920) and Nicholas O'Reilly (IP Number 8309) Shelley Bullman replaced Robert Pick as Joint Administrator by Order of the Court dated 5 November 2012. Nicholas O'Reilly replaced Shelley Bullman as Joint Administrator by Order of the Court dated 20 November 2013
Joint Administrators' address	Moorfields Corporate Recovery Limited, 88 Wood Street, London, EC2V 7QF
Date of appointment	25 November 2011
Court	High Court of Justice
Court Reference	10321 of 2011
Appointed by	Citibank N A (holder of QFCH)
Functions	Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Joint Administrators acting jointly or alone
EC Regulations	The Company's registered office is from where the Company carries on its business. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom and

as such these proceedings will be the main proceedings as defined in article 3 of the EC regulation

Extensions

The Joint Administrators made an application to Court to extend the Administration period for a further 12 months until 24 November 2013

The Joint Administrators made a second application to Court to extend the Administration period for a further 12 months until 24 November 2014

The Joint Administrators made a third application to Court to extend the Administration period for a further 12 months until 24 November 2015

Dunster Properties Limited (in Administration)

Summary of Receipts & Payments

for period from 25 November 2011 to 21 April 2015

	From 25/11/2011 To 21/10/14 (£)	From 22/10/14 To 21/04/15 (£)	Total (£)
FIXED CHARGE RECEIPTS			
Freehold Land & Property	8,525,000 00	9,250 00	8,534,250 00
Bank Interest	68,908 35	53 55	68,961 90
	<u>8,593,908 35</u>	<u>9,303 55</u>	<u>8,603,211 90</u>
LESS FIXED CHARGE PAYMENTS			
Office Holder Fees	152,055 60	36,548 40	188,604 00
Office Holder Expenses	1,842 88	0 00	1,842 88
Legal Fees	259,814 75	5,919 95	265,734 70
Agents/Valuers Fees	135,520 00	0 00	135,520 00
Insurance of Assets	23,148 65	0 00	23,148 65
Storage Costs	324 48	324 48	648 96
Corporation Tax	10,287 10	3,479 96	13,767 06
Bank charges	37 50	0 00	37 50
	<u>583,030 96</u>	<u>46,272 79</u>	<u>629,303 75</u>
Net Fixed Charge Realisations	8,010,877 39	(36,969 24)	7,973,908 15
DISTRIBUTION TO FIXED CHARGEHOLDER			
Citibank N A	<u>7,954,390 18</u>	<u>0 00</u>	<u>7,954,390 18</u>
Balance held on fixed charge account	<u>56,487 21</u>	<u>(36,969 24)</u>	<u>19,517 97</u>
FLOATING CHARGE RECEIPTS			
Furniture & Equipment	1,500 00	0 00	1,500 00
Cash at Bank	567 00	0 00	567 00
Bank Interest Gross	83 51	0 21	83 72
Water Rates Refund	48 03	0 00	48 03
	<u>2,198 54</u>	<u>0 21</u>	<u>2,198 75</u>
LESS FLOATING CHARGE PAYMENTS			
Agents/Valuers fees	1,250 00	0 00	1,250 00
Searches	11 00	0 00	11 00
Storage Costs	466 00	0 00	466 00
	<u>1,727 00</u>	<u>0 00</u>	<u>1,727 00</u>
Balance held on floating charge account	<u>471 54</u>	<u>0 21</u>	<u>471 75</u>
BALANCE HELD AS FOLLOWS:			
AIB Current account - Interest Bearing			18,301.65
AIB Current account - Interest Bearing			203.39
Fixed Charge Vat Receivable			1,184 68
Floating Charge Vat Receivable			<u>300.00</u>
			<u>19,989.72</u>

Notes

The director failed to provide a Statement of Affairs therefore no Statement of Affairs figures have been provided

unster Properties Limited (in Administration)

etailed SIP9 Time & Cost Summary

2 October 2014 to 21 April 2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
4 Statutory Reporting	0.00	0.70	1.00	0.00	1.70	520.00	305.88
5 Case Monitoring	0.00	1.10	12.20	0.00	13.30	3,423.00	257.37
3 IPS Case Set Up	0.00	0.07	0.00	0.00	0.07	31.88	455.43
7 General Administration	0.00	0.00	0.60	0.00	0.60	135.00	225.00
8 Cashiering	0.00	0.05	1.00	3.50	4.55	835.00	183.52
3 Partner Review	0.25	0.00	0.00	0.00	0.25	128.75	515.00
0 Post appoint VAT and CT returns	0.00	0.70	2.60	0.00	3.30	917.00	277.88
Admin & Planning	0.25	2.62	17.40	3.50	23.77	5,990.63	252.02
1 Other Assets	0.00	0.00	0.20	0.00	0.20	49.00	245.00
0 Freehold / Leasehold Property	0.00	0.90	10.40	0.00	11.30	2,949.00	260.97
3 Identifying, Securing, Insuring	0.00	0.00	1.20	0.00	1.20	288.00	240.00
8 Asset related legal matters	0.00	0.30	4.40	0.00	4.70	1,181.50	251.38
Asset Realisation	0.00	1.20	16.20	0.00	17.40	4,467.50	256.75
0 Creditor Correspondence	0.00	0.00	1.00	0.00	1.00	224.00	224.00
creditors	0.00	0.00	1.00	0.00	1.00	224.00	224.00
total Hours	0.25	3.82	34.60	3.50	42.17	10,682.13	253.31

unster Properties Limited (in Administration)

etailed SIP9 Time & Cost Summary

1 November 2014 to 21 April 2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
1 Case Planning	0.00	2.40	0.60	0.00	3.00	822.00	274.00
2 Appointment Notification	0.50	0.00	0.45	0.00	0.95	296.50	312.11
3 Maintenance of Records	0.00	0.00	1.40	0.00	1.40	280.00	200.00
4 Statutory Reporting	9.70	5.80	47.10	0.00	62.60	16,545.50	264.31
5 Case Monitoring	4.60	30.90	86.70	0.00	122.20	30,976.00	253.49
6 IPS Case Set Up	0.00	0.07	0.00	0.00	0.07	31.88	455.43
7 General Administration	1.30	0.00	102.55	0.00	103.85	18,211.00	175.36
8 Cashiering	0.00	0.10	14.75	19.49	34.34	6,032.50	175.67
9 Partner Review	12.25	0.00	0.00	0.20	12.45	5,539.75	444.96
10 Post appoint VAT and CT returns	0.00	1.40	12.35	0.00	13.75	3,217.00	233.96
Admin & Planning	28.35	40.67	265.90	19.69	354.61	81,952.13	231.10
1 Other Assets	0.00	0.00	0.20	0.00	0.20	49.00	245.00
2 Freehold / Leasehold Property	19.90	18.75	132.75	0.00	171.40	40,811.00	238.10
3 Plant and Machinery	0.00	0.00	9.85	0.00	9.85	1,689.50	171.52
4 Motor Vehicles	0.10	0.00	1.65	0.00	1.75	324.50	185.43
5 Debtors	0.00	0.00	0.50	0.00	0.50	120.00	240.00
6 Identifying, Securing, Insuring	2.30	0.60	14.70	0.00	17.60	4,010.50	227.87
8 Asset related legal matters	29.90	15.00	130.35	0.00	175.25	41,898.00	239.08
Asset Realisation	52.20	34.35	290.00	0.00	376.55	88,902.50	236.10
0 Case Specific	0.00	0.00	1.15	0.25	1.40	337.50	241.07
Case Specific Matters	0.00	0.00	1.15	0.25	1.40	337.50	241.07
3 Secured creditor reports	0.00	3.20	0.85	0.00	4.05	1,125.50	277.90
4 Creditor Correspondence	1.20	2.50	65.30	0.00	69.00	13,102.00	189.88
1 Unsecured creditor claims	1.10	0.90	1.50	0.00	3.50	1,085.00	310.00
2 Secured creditor claims/Reporting	2.10	0.00	3.15	0.00	5.25	1,539.00	293.14
7 Employee creditor claims	0.60	0.00	2.00	0.00	2.60	604.00	232.31
Creditors	5.00	6.60	72.80	0.00	84.40	17,455.50	206.82
10 SIP2 Review	0.00	0.00	1.90	0.00	1.90	323.00	170.00
11 CDDA Reports	1.00	0.70	5.35	0.00	7.05	1,559.50	221.21
Investigations	1.00	0.70	7.25	0.00	8.95	1,882.50	210.34

Management of Operations	0.60	0.00	0.00	0.00	0.00	0.60	264.00	440.00
On going employee issues	0.00	0.00	0.00	0.00	0.00	34.85	6,046.00	173.49
Tax on post appointment trading	0.20	0.00	0.00	0.00	0.00	11.85	2,103.00	177.47
Trading	0.80	0.00	0.00	0.00	0.00	47.30	8,413.00	177.86
Total Hours	87.35	82.33	683.60	19.94	873.22	198,943.13		227.83
Total Fees Claimed						182,742.00		

Appendix IV

Dunster Properties Limited

1 Explanation of office-holders charging and disbursement recovery policies

In accordance with best practice we provide below details of policies of Moorfields Corporate Recovery Limited, in respect of fees and disbursements for work in relation to insolvency estates

This summary outlines the activities undertaken during this matter to date together with details of charge out rates for time costs incurred and the basis of disbursements incurred and recharged

The activities are summarised as follows

1 1 Administration and planning

The following activities have been undertaken

- Statutory duties associated with the appointment including the filing of relevant notices,
- Notification of the appointment to creditors, members, employees and other interested parties,
- Setting up of case files
- Reviewing available information to determine the appropriate strategy,
- Setting up and maintaining bank accounts,
- Implementing the strategy for the Administration,
- 6 monthly progress review of the case,
- Completion of statutory returns to the Insolvency Compliance Unit of the Department for Business Innovation and Skills

Staff of different levels were involved in the above activities depending upon the experience required.

1 2 Realisation of assets

Appendix II shows the realisations made for the benefit of the creditors. In this case the assets belonging to the Company were as follows,

- Freehold Land and Property
- Furniture & Equipment
- Cash at Bank
- Water Rates Refund
- Bank Interest

The time spent includes the following matters

- Dealing with legal advisors with regards to the possession of the property,

- Dealing with legal advisors with regards to the sale agreement for the property,
- Corresponding with agents in relation to valuation and realisation of assets,

1 3 Creditors

The time spent includes the following matters

- Recording and maintaining the list of creditors,
- Dealing with employee related matters,
- Employee communications and liaising with Government agencies to facilitate employee claims for unpaid entitlements,
- Recording creditor claims,
- Dealing with specific creditor calls and correspondence,
- Reporting to creditors,
- Dealing with creditor queries,
- Reviewing and evaluating creditor claims to date

1 4 Investigations and communications

The time spent includes the following matters

- Corresponding with Company directors for purposes of conduct report,
- Issuing questionnaires and requests for Statement of Affairs,
- Reviewing Company records and questionnaires and preparing the statutory return in accordance with the requirements of the Department for Business Innovation and Skills

1 5 Employee Related Matters

- Dealing with Employee related redundancy claims
- Liaising with Redundancy Payment Service regarding employee claims

2 0 Time recording

The Partners will engage managers and other staff to work on the insolvent estate and statutory compliance diaries. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the estate's bank accounts. Work carried out by all staff is subject to the overall supervision of the Partners.

All time spent by staff working directly on case related matters is charged to a time code established for the case. Each member of staff has a specific hourly rate, which is subject to change over time.

The current charge out rates per hour of staff within the firm who may be involved in working on the insolvency follows, this in no way implies that staff at all such grades will work on the case.

GRADE	£
Partner	515
Director/ Senior Manager	425
Manager	355
Assistant Manager	280
Senior Administrator	245
Administrator	195-225
Cashier/ Support	195

The rates charged by Moorfields Corporate Recovery Limited are reviewed periodically in January & July each year and are adjusted to take account of inflation and the firm's overheads

Our rates increased on 1 January 2015. The charge out rates per hour for the period from 1 January 2013 to 31 December 2014 were

GRADE	£
Partner	485
Director/ Senior Manager	400
Manager	325
Assistant Manager	270
Senior Administrator	200-240
Administrator	125-200
Cashier/ Support	160

Our rates increased on 1st January 2013. The charge out rates per hour for the period from 1 October 2010 to 31 December 2012 were

GRADE	£
Partner	440
Director/ Senior Manager	325
Manager	300 - 325
Assistant Manager	250
Senior Administrator	200-220
Administrator	100-200
Cashier/ Support	70 -140

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time in units of 6 minutes

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate

Where remuneration has been approved on a time cost basis the time invoiced will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors, the report will provide a breakdown of the remuneration drawn and will

enable the recipients to see the average rates of such costs. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by the fee request.

Approved remuneration will be drawn at such times that sufficient funds are available

For your information, A Creditor's Guide to Administrators' Fees can be obtained at <http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-to-administrators-fees-england-and-wales-apr-10.pdf>

3 0 Disbursement recovery

Category 1 Disbursements

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling, postage, photocopying if external provider, statutory advertising and other expenses made on behalf of the assignment

Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No 9, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn

Category 2 Disbursements

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Moorfields Corporate Recovery Limited for the provision of services which include an element of recharged overhead, for example, room hire or document storage. Statement of Insolvency Practice No 9 provides that such disbursements are subject to approval as if they were remuneration. It is our policy, in line with the Statement, to seek approval for Category 2 disbursements before they are drawn

The following Category 2 disbursements may be charged by this firm

- Stationery and postage charge for sending out circulars – 5 pence per sheet plus postage at cost
- A set-up charge of £50 per case for online creditor reporting where applicable
- Mileage allowances are paid at HM Revenue & Customs approved rates. For personnel using their own vehicles, these are currently 45 pence per mile for the first 10,000 miles and 25 pence per mile thereafter

It should be noted that disbursements costs might increase from time to time, however, increases would only be in line with inflation or increases from our supplier

Our ref DUNS001/RP/ST/CB/JJ/ADM 11 015

To All Creditors and Members

18 January 2012

Dear Sirs

Dunster Properties Limited ("The Company") – In Administration

I write to advise that I, together with my partner Simon Thomas, was appointed Joint Administrator of the above Company on 25 November, 2011

I must advise that to date I have not been provided with a Statement of Affairs or any management accounting information by the director. As a result, the estimated outcome for creditors contained in our enclosed report is based on the information available from other sources and may be subject to change.

In accordance with Paragraph 52(1)(a) of Schedule B1 of the Insolvency Act 1986, I do not propose to call a meeting of creditors to consider these proposals as it is currently estimated that there will be a surplus of funds after unsecured creditors have been repaid in full.

If the outcome for unsecured creditors changes materially during the course of the Administration so that they may not be paid in full, I will call a meeting of creditors.

I attach a statement to creditors pursuant to Rule 2.33 of the Insolvency Rules 1986, which incorporates a statement of proposals under Paragraph 49 of Schedule B1 of the Insolvency Act 1986. Additionally, I provide a report setting out the work undertaken by the Joint Administrators to date, incorporating details of my firm's policies regarding fees and disbursements and a summary recording the time spent on the administration.

I trust this is in order but should you have any queries please do not hesitate to contact Jack Jones of this office.

Yours faithfully
For and on behalf of
Dunster Properties Limited


R. Pick
Joint Administrator

DDI 020 7186 1153
Fax 020 7186 1177
Email jjones@moorfieldscr.com

Robert Pick and Simon Thomas of Moorfields Corporate Recovery LLP, 88 Wood Street, London, EC2V 7QF were appointed Joint Administrators on 25 November, 2011. The Administrators now manage the affairs, business and property of the company. The Administrators act as agents only and without personal liability.

**DUNSTER PROPERTIES LIMITED - IN ADMINISTRATION
REPORT TO CREDITORS
18 JANUARY 2012**

CONTENTS

- 1 Introduction
- 2 Events leading up to the Appointment of the Joint Administrators
- 3 Statement of affairs and statutory information
- 4 Prescribed part
- 5 Achieving the purpose of the Administration
- 6 Management of Company's affairs since the Administrators' appointment
- 7 EC Regulations on Insolvency Proceedings
- 8 Pre-administration costs
- 9 Joint Administrators' remuneration
- 10 Possible outcomes for the Company
- 11 Statement of proposals under Paragraph 49 of Schedule B1 of the Insolvency Act 1986

APPENDICES

- I Statutory information
- II Estimated outcome statement at 18 January 2012 and schedule of creditors
- III Summary of the Joint Administrators' receipts and payments account
- IV Summary of time costs
Moorfields Corporate Recovery LLP remuneration and disbursement policy
- V Form 2 21B – Creditors request for a meeting
Statement of claim

DUNSTER PROPERTIES LIMITED - IN ADMINISTRATION

1. INTRODUCTION

- 1 1 This report is addressed to the creditors of Dunster Properties Limited ("the Company") and incorporates the Joint Administrators' proposals. I do not propose to call a meeting of creditors to consider this proposal as it is currently estimated that there will be sufficient assets realised for the creditors to be repaid in full. Under Paragraph 52 of Schedule B1 of the Insolvency Act 1986 (the "Act"), if at least 10% of creditors require me to call a meeting they must notify me by 27 January 2012 using form 2.21B, attached. Please note that before such a meeting can be held, I will require a deposit towards the cost of convening the meeting. Such deposit may be repaid out of the assets of the Company subject to the approval of other creditors. Unless such a meeting is requisitioned, our proposals will be deemed to have been approved by creditors under rule 2.33(5) of the Insolvency Rules 1986 (the "Rules"). We will write to creditors again after the expiry of this period to confirm the deemed approval of the proposals, or alternatively to confirm that a meeting is to be held.
- 1 2 If the outcome for unsecured creditors changes materially during the course of the Administration so that they may not be repaid in full, I will call a meeting of creditors. At this meeting, creditors may approve the proposals with or without modifications subject to the Joint Administrators' agreement to any such modifications. If the creditors reject the Joint Administrators' proposals a report will be sent to the High Court of Justice confirming that the creditors have rejected the proposals. The Court may then discharge the Administration and make consequential directions. Alternatively, it may adjourn the hearing or make some other Order as it thinks fit.
- 1 3 The Joint Administrators will continue to control the business and assets of the Company to the extent that they are able to gain control and possession of them. The Joint Administrators would at some later date arrange for the Company to exit from the Administration, as agreed by the creditors. Based on information presently available and the current situation the Joint Administrators' proposal is that if on completion of the Administration there are surplus funds available, control of the Company will be returned to the director. Should asset realisations not prove sufficient or creditor claims be significantly greater than currently estimated the Company will move from Administration to Creditors' Voluntary Liquidation ("CVL"). Should there be insufficient funds available for a dividend to be made to the unsecured creditors the Company may be dissolved once the Administration is complete.
- 1 4 It should be noted that since my appointment the director, Grahame Bond, has failed to provide a statement of affairs, books and records or any accounting information to the Joint Administrators. The effect of this is that I have no company records upon which to base the attached estimated outcome statement. I, together with my solicitors, continue to pursue the director for the information and I will provide creditors with an update of my progress in due course.

2. EVENTS LEADING UP TO THE APPOINTMENT OF THE JOINT ADMINISTRATORS

- 2 1 The Company was incorporated on 15 June 1993 and trades from its head office in Halswell House, Halswell Park, Goathurst, Bridgwater, Somerset, TA5 2DH.
- 2 2 The Company's principal business interest is the development and sale of real estate.
- 2 3 As detailed in paragraph 1.4, I have not been provided with a history of the Company by the director.

DUNSTER PROPERTIES LIMITED - IN ADMINISTRATION

- 2 4 The Company owns the freehold residential property at 64/65 Glebe Place, London, SW3 5JB (the "Property") It also managed a wedding and event management service from Halswell House, Halswell Park, Goathurst, Somerset, TA5 2DH
- 2 5 On 25 November 2011, Robert Pick and Simon Thomas were appointed Joint Administrators by Citibank N A , holders of a qualifying floating charge over the assets of the Company The Administration is registered in the High Court of Justice, under reference number 10321 of 2011

3 STATEMENT OF AFFAIRS AND STATUTORY INFORMATION

- 3 1 Statutory information on the Company and a summary of its financial position is included within Appendix I
- 3 2 As detailed in paragraph 1 4, the Directors have not submitted a statement of affairs to me at the time of this report I have, therefore, produced a summary Estimated Statement of Affairs of the Company, together with a schedule showing details of creditors claims' as currently known, attached at Appendix II The estimated Statement of Affairs has been prepared from information available The Joint Administrators have not carried out any audit or detailed verification work at this time
- 3 3 A receipts and payments account for the period from the date of my appointment to 16 January 2012 is included within Appendix III

4 PRESCRIBED PART

- 4 1 Under the provisions of Section 176A of the Act the Administrators must state the amount of funds available to unsecured creditors in respect of the prescribed part This provision only applies where the company has granted a floating charge to a creditor after 15 September 2003
- 4 2 As a floating charge was granted in favour of Citibank N A. on 12 August 2006, the prescribed part would therefore ordinarily apply
- 4 3 As detailed in paragraph 1 4, it is not possible to estimate with any degree of certainty the level of the prescribed part if applicable or potential dividends to any class of creditors at present In any event, on current estimates all creditors will be paid in full

5. ACHIEVING THE PURPOSE OF THE ADMINISTRATION

- 5 1 The statutory purposes of an Administration consist of three objectives, and I now address the progress that has been made in this respect
- (a) The first objective is rescuing the Company as a going concern On the current estimated outcome, this is achievable and is the objective the Joint Administrators are pursuing
- (b) With regard to the second objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), the position is that a sale of the business and/or Property out of administration should result in greater realisations than would have been achieved

DUNSTER PROPERTIES LIMITED - IN ADMINISTRATION

on a forced sale basis out of liquidation. In addition, a dividend to unsecured creditors from funds generated from the prescribed part may be made.

- (c) The final objective is realising property in order to make a distribution to one or more secured or preferential creditors.

- 5.2 In summary, should a sale of the Property at the levels estimated in the Estimated Outcome Statement be achieved, objective (a) - rescue of the Company as a going concern - will be achieved and surplus funds will be returned to the director of the Company. Should asset realisations not prove sufficient or creditor claims be significantly greater than estimated for objective (a) to be achieved, objective (b) will be pursued, failing which objective (c) will be pursued.

6 MANAGEMENT OF THE COMPANY'S AFFAIRS SINCE THE ADMINISTRATORS' APPOINTMENT

6.1 Initial actions

- 6.1.1 Upon my appointment as Joint Administrator I undertook an immediate review of the Company's affairs. However this has been hampered by the lack of information provided by the director.
- 6.1.2 As a consequence of the review and lack of information available it was not deemed viable for the Company to continue to trade in its existing position.
- 6.1.3 Since my appointment, I have been attempting to obtain possession of the Property and/or clarify the rights of any occupants. These attempts are on-going.
- 6.1.4 Upon appointment I instructed Addleshaw Goddard LLP to act as legal representatives of the Company. They continue to assist the joint administrators in this matter.

6.2 Customers and contractual matters

- 6.2.1 As previously stated, the Company operated a wedding and event management service from the property at Halswell House. The Company formerly employed the agents Mark Cranfield Associates to operate the wedding business on its behalf. This arrangement ended prior to my appointment as Joint Administrator. I am aware that wedding reservations have been made at the venue but as detailed in paragraph 1.4, I have not been provided with a list of creditors or details of any contractual obligations.
- 6.2.2 I understand that a related company is continuing to operate the wedding business and is managing the future bookings. My appointment does not extend to any of the related companies and as such, I cannot comment further on this point.

6.3 Trading during the Administration

- 6.3.1 The Joint Administrators have not traded the Company during the Administration period.

6.4 Creditors' Claims

- 6.4.1 The Joint Administrators do not propose to call a meeting of creditors at this stage to consider their proposals, as it is currently estimated that unsecured creditors will be repaid in full although this position may change. This uncertainty is due to the fact that I have not been provided with all of the information necessary to establish the likely outcome of the Administration. I am rigorously pursuing the provision of records and the

DUNSTER PROPERTIES LIMITED - IN ADMINISTRATION

cooperation of the director. In addition, an accurate estimate of the realisation value of the principal asset cannot be attained until I have secured possession of the Property.

- 6.4.2 Under Paragraph 52 of Schedule B1 of the Act, if at least 10% of the creditors of the Company, by value, require me to call a meeting, they must notify me using the Form 2.21B, within 8 business days from the date of this report. Form 2.21B is attached at Appendix V for this purpose.
- 6.4.3 Please note that before such a meeting can be held, I will require a deposit towards the cost of convening the meeting. Such a deposit may be repaid out of the assets of the Company subject to approval of other creditors. I would ask creditors who request a meeting to ensure that they use the Form 2.21B. Where no creditors' meeting is held to consider the Joint Administrators' proposals, the proposals will be deemed to be passed.
- 6.4.4 On 12 August 2006, the Company registered a Legal Charge and Debenture in favour of Citibank N.A. in respect of the Property. At present it is not possible to estimate the anticipated level of distribution to the secured creditor for the reasons detailed above.
- 6.4.5 Prior to my appointment, the Company signed a cross collateralisation agreement with Citibank. The loans were secured on individual properties within the Dunster group and the guarantee gives Citibank the right to claim any shortfall in the loan to value margin from the Company.
- 6.4.6 Lewis Silkin LLP are a firm of solicitors who acted for the Company prior to my appointment. Lewis Silkin applied to court and obtained a Charging Order dated 15 November 2011 over the Property in the amount of £356,460.71. By virtue of the Charging Order, their debt is a secured debt.
- 6.4.7 The claim of NatWest Bank Plc relates to a guarantee given by the Company in respect of money lent to Dunster Holdings Limited.
- 6.4.8 I am aware that the Company had employees however, despite numerous requests, I have not been provided with their contact details. It is therefore not possible to estimate the claims of the preferential creditors at this time. Some employees have contacted me and I shall continue to liaise with the Redundancy Payments Office regarding their claims.
- 6.4.9 Based on current information and subject to agreement, it is estimated that preferential creditors of the Company will be repaid in full.
- 6.4.10 I have not been provided with a list of creditors and their claims despite requesting this information from the director. The creditor claims listed at Appendix II are taken from information provided to the Joint Administrators from various parties. Where different figures have been provided in respect of creditors' claims, the higher figure has been used in the Estimated Outcome Statement to demonstrate the maximum level of claims. To date, no adjudication of creditors' claims has been undertaken.
- 6.4.11 Creditors are invited to submit details of their claim to this office by using the Statement of Claim form attached at Appendix V. A distribution may be made, in due course, from surplus funds available after the secured creditor has been repaid in full.

7 EC REGULATIONS ON INSOLVENCY PROCEEDINGS

I am required under the Insolvency Rules 1986 to state whether, and if so to what extent to which the above regulations will apply in respect of this Administration. In this

DUNSTER PROPERTIES LIMITED - IN ADMINISTRATION

particular case the EC Regulation will apply in respect of this Administration and these proceedings will be the main proceedings as provided by Article 3 of the aforesaid Regulation

8 PRE-ADMINISTRATION COSTS

- 8 1 Pre-appointment fees charged and expenses incurred by the Administrator are as follows

Charged by	Brief description of services provided	Total amount charged £	Amount paid £	Who payments made by	Amount unpaid £
Moorfields Corporate Recovery LLP	Dealing with appointment and liaising with secured creditor and director	£5,865	Nil	n/a	£5,865

- 8 2 The payment of unpaid pre-administration costs set out above as an expense of the Administration is subject to the approval of creditors, separately to the approval of the Administrators' proposals. As the position regarding surplus funds to be returned to the Company once secured creditors have been paid in full is uncertain, the Joint Administrators will seek approval at a later date from the relevant parties or (if necessary) the court

9 JOINT ADMINISTRATORS' REMUNERATION

- 9 1 The basis of the Administrators' remuneration may be fixed as one or more of the following bases and different bases may be fixed in respect of different things done by him
- as a percentage of the value of the assets they have to deal with, or
 - by reference to time properly spent by the Administrators and their staff managing the Administration, or
 - as a set amount
- 9 2 Where no Creditors' Committee is appointed, the basis of remuneration of the Administrators shall be fixed by resolution of a meeting of creditors or where the Administrators think that the company has insufficient property to enable a distribution to be made to the unsecured creditors (other than via the prescribed part), approval will be sought from the secured and (if necessary) the preferential creditors in accordance with R2 106 of the Insolvency Rules 1986 [In any event, the basis of the Administrators' remuneration and disbursements are to be fixed no later than six months after the date of the Administrators' appointment.]
- 9 3 In this case, the Administrators will seek approval for the basis of their remuneration as follows
- By reference to the time properly spent by the Administrators and their staff in attending to matters arising in the Administration
- 9 4 Subject to fixing the basis of remuneration as per paragraph 9 2 above, the Administrators will be authorised to draw remuneration as and when funds are available

DUNSTER PROPERTIES LIMITED - IN ADMINISTRATION

- 9 5 The Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Act immediately upon their appointment as Administrators ceasing to have effect
- 9 6 Attached at Appendix IV are separate schedules that summarise the time that has been spent both prior to my formal appointment and in administering this Administration from the date of my appointment up to the date of this report, in accordance with Statement of Insolvency Practice 9 These show a total of 19 20 and 101 hours at average charge out rates of £305 47 and £288 08 respectively
- 9.7 It is anticipated that my total time costs will be in the region of £50,000 plus disbursements and VAT.
- 9 8 In the first instance the Joint Administrators will seek the approval of the secured creditor in respect of their remuneration pursuant to Rule 2 106 of the Insolvency Rules 1986

10. POSSIBLE OUTCOMES FOR THE COMPANY

- 10 1 The Act and Rules provide a variety of options regarding the possible exit routes for the company from the Administration, being primarily a Company Voluntary Arrangement ("CVA"), liquidation or dissolution of the Company
- 10 2 The Joint Administrators envisage that once one of objectives of the Administration has been achieved and in order either to return the Company to the control of its director and members or otherwise as appropriate
- (a) a CVA will be put in place and the Joint Administrators will file notice with the Court and Registrar of Companies under paragraph 80 Schedule B1 of the Act that the purpose of the Administration has been achieved, or
 - (b) an application to Court will be made for permission for the Joint Administrators to make a distribution to creditors, or
 - (c) the Joint Administrators will place the Company into creditors voluntary liquidation ("CVL") Should the CVL route be taken it is proposed that Simon Thomas and myself be appointed Joint Liquidators Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved

11. STATEMENT OF PROPOSALS UNDER PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986

In accordance with Paragraph 49 of Schedule B1 of the Act the Joint Administrators make the following proposals for achieving the purpose of the Administration

The Joint Administrators propose that:

- 1 They continue to manage the Company's business affairs and property of the Company for the purposes of achieving Objective (a) of the statutory purpose for the Administration (to rescue the Company as a going concern) failing which Objectives (b) and (c) will be pursued as appropriate
- 2 The Administrators may investigate and, if appropriate, pursue any claims that the Company may have under the Companies Act 1985 or the Act or otherwise In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the

DUNSTER PROPERTIES LIMITED - IN ADMINISTRATION

assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals

- 3 If the Administrators think that funds will become available for unsecured creditors, they may at their discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent liquidator or supervisor of a CVA and that the costs of doing so be met as a cost of the Administration as part of the Administrators' remuneration (where the Administrators think that there will be sufficient funds for a distribution to unsecured creditors other than by virtue of the prescribed part) or out of the prescribed part as costs associated with the prescribed part (where the Administrators think that funds will become available to the unsecured creditors by virtue of the prescribed part but not otherwise)
- 4 If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion make an application to court for permission to make distributions to unsecured creditors under paragraph 65(3) Schedule B1 of the Act
- 5 The Administrators shall either apply to the court or seek consent from the appropriate classes of creditors for an extension of the administration beyond the statutory duration of one year if an extension is considered advantageous
- 6 The Administrators may use any or a combination of "exit route" strategies in order to bring the Administration to an end depending on levels of realisations in the Administration and of creditors' claims, both of which are uncertain at present. In this particular instance, the Administrators are likely to wish to pursue the following options as being the most cost effective and practical in the present circumstances
 - a the Administrators will formulate a proposal for a CVA and put it to meetings of the Company's creditors and shareholders for approval. If the CVA is approved, the Administration will be brought to an end by notice to the Registrar of Companies on completion of the Administration under paragraph 80 Schedule B1 of the Act, following registration of which the Administrators' appointment will cease to have effect, or
 - b once asset disposals are complete, the Administrators will place the Company into Creditors Voluntary Liquidation ("CVL"). In these circumstances it is proposed that Robert Pick and Simon Thomas be appointed Joint Liquidators. The Liquidators will be authorised to act jointly and severally in the subsequent liquidation. Under Paragraph 83(7) of Schedule B1 of the Act and Rule 2.117(3) of the Rules creditors may, before these proposals are approved, nominate different liquidators, but in the absence of such nomination the above named would become the liquidators, or
 - c once asset disposals are complete, the Administrators will apply to the Court to allow the Administrators to distribute surplus funds, if any, to unsecured non-preferential creditors. If such permission is given or if there are no funds to distribute, the Administration will be brought to an end by notice to the Registrar of Companies under paragraph 84 Schedule B1 of the Act, following registration of which the Company will be dissolved three months later, unless there are any matters which the Joint Administrators think need be dealt with through the appointment of a liquidator (e.g. investigations or disclaiming of

DUNSTER PROPERTIES LIMITED - IN ADMINISTRATION

onerous property) in which case the Joint Administrators will make an application for the Company to be wound-up by the court and that the Joint Administrators be the liquidators in the subsequent compulsory winding-up

Dated 18 January 2012



Robert Pick
Joint Administrator

DUNSTER PROPERTIES LIMITED - IN ADMINISTRATION

STATUTORY INFORMATION

Company Number	02826968
Date of Incorporation	15 June 1993
Registered Office	Moorfields Corporate Recovery LLP 88 Wood Street London EC2V 7QF
Former Registered Office	Halswell House Halswell Park Goathurst Bridgwater Somerset TA5 2DH
Trading address	Halswell House Halswell Park Goathurst Bridgwater Somerset TA5 2DH
Director	Mr Grahame Bond
Company Secretary	None
Nominal Share Capital	100 shares
No. of £1 Ordinary shares held	100
Registered Shareholders	Grahame Bond Patricia Pamela Norris

APPENDIX I (cont)

Financial Information	Period Ended 31 Dec 2008 (Audited) £	Period Ended 31 Dec 2007 (Audited) £	Period Ended 31 Dec 2006 (Audited) £
Fixed Assets	35,000	46,964	48,784
Stock	3,504,869	3,504,869	3,504,869
Debtors	740,740	936,641	1,113,125
Cash at Bank	888	1,780	-
Creditors < 1 Year	(1,774,042)	(1,133,400)	(1,308,910)
Net Current Assets	<u>2,472,455</u>	<u>3,309,890</u>	<u>3,309,084</u>
Total Assets Less Current Liabilities	2,507,455	3,356,854	3,357,868
Creditors > 1 Year	<u>(4,095,000)</u>	<u>(4,095,000)</u>	<u>(4,095,000)</u>
Net Liabilities	(1,587,545)	(738,146)	(737,132)
Called up share capital	100	100	100
Revaluation reserve	35,000	35,000	35,000
Profit & Loss Account	<u>(1,622,645)</u>	<u>(773,246)</u>	<u>(772,232)</u>
Shareholders' Funds	<u>(1,587,545)</u>	<u>(738,146)</u>	<u>(737,132)</u>

Dunster Properties Limited - In Administration
Estimated Outcome Statement
As at 18 January 2012

APPENDIX II

	Notes	Realisations to date £	Estimated future realisations £	Estimated total realisations £
Assets Subject to Fixed Charge				
Freehold Land & Property		-	10 000 000	10,000 000
Rental income		-	Uncertain	Uncertain
Bank Interest		-	Uncertain	Uncertain
		-	10 000 000	10 000 000
Less costs of sale				
Remuneration of office holder		-	(50 000)	(50 000)
Legal Fees		-	(50 000)	(50 000)
Insurance of assets		-	(10 000)	(10 000)
Agents/Valuers Fees		-	(150 000)	(150 000)
Capital Gains Tax	1	-	-	-
Bank charges		-	(100)	(100)
		-	(260 100)	(260 100)
Funds available to fixed charge creditor			9 739 900	9 739 900
Less Citibank re Glebe Place				(4 143 583)
Less Citibank re indebtedness under cross collateralisation agreement				(1 312,262)
Less Lewis Silkin LLP Charging Order				(356 461)
Surplus / (Shortfall) re fixed charge creditor c/d				<u>3,927 594</u>
Assets subject to floating charge				
Fixtures & Fittings		-	Uncertain	Uncertain
Book Debts		-	Uncertain	Uncertain
Cash at Bank		-	Uncertain	Uncertain
		-	-	-
Less Administration Costs				
Specific Bond		-	(900)	(900)
Office Holders Fees		-	Uncertain	Uncertain
Office Holders Expenses		-	(340)	(340)
Agents fees		-	Uncertain	Uncertain
Legal Fees		-	Uncertain	Uncertain
Storage Costs		-	Uncertain	Uncertain
Statutory Advertising		(78)	(78)	(156)
		(78)	(1 318)	(1 396)
Assets available to Preferential Creditors		(78)	(1,318)	(1 396)
Preferential Creditors		-	-	Uncertain
Estimated surplus/(shortfall) as regards preferential creditors				(1 396)
Prescribed part c/d				Uncertain
Funds available under the floating charge				(1 396)
Debts secured by floating charge				<u>3 927 594</u>
Surplus/(Shortfall) under floating charge c/d				<u>3 926 198</u>
Prescribed part brought down				Uncertain
Unsecured Creditors				
Trade Creditors			(185 359)	
Employees Unsecured Claims			Uncertain	
HM Revenue & Customs - VAT			(111)	
HM Revenue & Customs - PAYE & NIC			(33 950)	
Netwest Bank Plc			(988,793)	
Mark Cranfield Associate			(2 133 624)	
Related company indebtedness			Uncertain	(3 341,837)
Shortfall to unsecured creditors				(3 341 837)
Surplus/(Shortfall) under floating charge b/d				<u>3 926 198</u>
Estimated surplus/(deficiency) to Shareholders				584,361
Ordinary shares of £1 each				(100)
Surplus/(Shortfall) as regards shareholders				<u>584,261</u>

Notes

- 1 As detailed in the report no financial information has been provided. Accordingly it has not been possible to make a provision for Capital Gains Tax.

Dunster Properties Limited - in Administration Schedule of Creditors

Name	Address	£
Alister Woods Limited	2 Shortedge, Rixon, Sturminster Newton, DT10 1AD	Uncertain
Baywash Laundry	65 St John Street, Bridgwater, TA6 5HX	6,936 92
Bright Consultancy	Thornwater Farm Cottage, Thornfalcon, Taunton, TA3 5NQ	Uncertain
BT	Providence Row, Durham, DH98 1BT	8,748 39
Bridgewater Mowers	Main Road, Cannington, Bridgwater, TA5 2JL	501 68
Bond Pearce LLP	Ballard House, West Hoe Road, Plymouth, PL1 3AE	Uncertain
Carter Ruck	6 St Andrew Street, London, EC4A 3AE	7,330 00
Cossey Produce Limited	177 Bristol Road, Bridgwater, TA6 4BG	1,083 73
Coomber Security Systems	Deane Gate Lodge, Deane Gate Avenue, Taunton, TA1 2UH	725 95
Citibank N A	Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB	5,455,845 00 *
Dawson Hart	The Old Grammar School, Church Street, Uckfield, East Sussex, TN22 1BH	7,328 38
Denton Wide Sapte	One Fleet Place, London, EC4M 7WS	8,318 54
Exmoor Fish & Game	Westowe, Lydeard St Lawrence, Taunton, TA4 3SH	Uncertain
GM Developments	c/o Kingsley Napley LLP, Knights Quarter, 14 St Johns Lane, London, EC1M 4AJ	Uncertain
Goldhawk Construction	47 Molewood Road, Hertford, Herts, SG13 3AQ	Uncertain
Gary Weiss & Ana Martorelli	Flat 10, 49 Drayton Gardens, London, SW10 9RX	Uncertain
Tom Griffiths	9 Weston House, Winchester Avenue, Queen's Park, London, NW6 7TS	844 50
HM Revenue & Customs	Insolvency Claims Handling Unit, Room BP3202, Warkworth House, Benton Park View, Longbenton, Newcastle Upon Tyne, NE98 1ZZ	Uncertain
HM Revenue & Customs	Insolvency Operations, Queens Dock, Liverpool, L74 4AF	111 00
HM Revenue & Customs	Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	Uncertain
Hardwicke	Hardwicke Building, New Square, Lincoln's Inn, London, WC2A 3SB	2,443 42
Hugh James Solicitors	Hodhe House, 114-116 St Marys Street, Cardiff, CF10 1DY	Uncertain
Hall Insurance	304A Fulham Road, London, SW10 9ER	26,279 80
Chris Hilkin	53a Reporton Road, London, SW6 7JP	205 41
Erwin Rhodes Contracting	36 Lonsdale Road, Cannington, Bridgwater, Somerset, TA5 2JS	2,391 51
Insolvency & Securities	HMRC, 3rd Floor, Euston Tower, 286 Euston Road, London, NW1 3UQ	33,949 77
Mr Kevin Warburton	52 Meddins Lane, Kinver, Stourbridge, West Midlands, DY7 6BY	Uncertain
Lewis Silkin LLP	5 Chancery Lane, Clifford's Inn, London, EC4A 1BL	356,460 71 *

Name	Address	£
Lisa's Laundry	22 Willoughby Road, Bridgwater, Somerset, TA6 7LY	3,922 20
Luke Hickman Photography	4 Longmead Cottages, Tonedale, Wellington, TA24 6QT	Uncertain
Maxwells Accountants	4-5 King Square, Bridgwater, TA6 3YF	72,086 75
Mark Cranfield Associates	1 Winchester Place, North Street, Poole, Dorset, BH15 1NX	2,133,624 00
NHL Gas Services Limited	73 Redriff Road, Collier Row, Romford, Essex, RM7 8HD	4,164 97
NatWest	Mr J Clarkson, Corporate Manager, Active Insolvency Management, Royal Bank of Scotland, 10th Floor, 280 Bishopsgate, London, EC2M 4RB	988,793 11
Ms Nikie Stephenson	Glebe House, Knighton, Burton, TA5 1QD	Uncertain
On Tap Water Treatment	5A Avalon Park, Somerton Business Park, Somerton, TA11 6SB	Uncertain
Pinsent Masons LLP	30 Crown Place, Earl Street, London, EC2A 4ES	1,468 75
Paul Moore t/a QSS Systems	c/o STA Graydon, 3rd Floor, Coleman House, King Street, Maidstone, Kent, ME14 1DN	4,000 00
Roman Glass	65 Lower Bristol Road, Bath, BA2 3BE	1,667 65
Pam Skinner	75 Wembdon Road, Bridgwater, Somerset, TA6 7DR	600 00
The Stokes Partnership	Market Square, Crewkerne, Somerset, TA18 7LH	Uncertain
Steve Thomas Decorators	13 Bishops Place, Church Street, Highbridge, Somerset, TA9 3EB	7,839 41
Southwest Conservation	27a North Street, Taunton, Somerset, TA1 1LW	2,655 35
St John's Chambers	101 Victoria Street, Bristol, BS1 6PU	11,612 25
Sedgemoor Drinks	Unit 25, Blake Industrial Park, Brue Avenue, Bridgwater, TA6 5LT	358 02
Sedgmoor District Council	Business Rates, Bridgwater House, King Square, Bridgwater, Somerset, TA6 3AR	Uncertain
The Morton Partnership	Leonardo House, 11 Market Place, Halesworth, Suffolk, IP19 8BA	1,845 30
TA Gas	5 Buleigh Close, Bridgwater, TA6 4JQ	Uncertain
West Country Hog Roast	12 Saxon Way, Wedmore, Somerset, BS28 4AG	Uncertain
Ms Sarah Dedman	209 Staplegrove Road, Taunton, Somerset, TA2 6AG	Uncertain
Miss Alannah Godbold	23 nPitman Court, Gloucester Road, Bath, Avon, BA1 8BD	Uncertain
Mr Dylan Nyce	24 Queenswood Road, Durlough, Bridgwater, Somerset, TA6 7NB	Uncertain
Mr John Slocombe	44 Chilton Street, Bridgwater, Somerset, TA6 3HU	Uncertain
Mr Grahame Bond	Halswell House, Halswell Park, Goathurst, Somerset, TA5 2DH	Uncertain
54 Entries Totalling		9,154,142 47

* Denotes a secured creditor

Dunster Properties Limited - in Administration
Joint Administrators' Abstract Of Receipts And Payments
25 November 2011 to 16 January 2012

RECEIPTS	Total (£)
	<u>0 00</u>
PAYMENTS	
	<u>0 00</u>
Balance	<u>0 00</u>
MADE UP AS FOLLOWS	
	<u>0 00</u>

Dunster Properties Limited - in Administration

SIP9 Time & Cost Summary (Pre Appointment)

To 25 November 2011

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	4 00	11 70	3 50	0 00	19 20	5,865 00	305 47
Total Hours	4 00	11 70	3 50	0 00	19.20	5,865 00	305 47

Dunster Properties Limited - in Administration
SIP9 Time & Cost Summary (Post Appointment)
25 November 2011 to 16 January 2012

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	9 00	18 10	23 65	0 10	50 85	13,424 50	264 00
Asset Realisation	18 80	7 40	10 55	0 00	36 75	12,285 50	334 30
Creditors	2 00	2 50	4 05	0 00	8 55	2,318 50	271 17
Investigations	0 50	0 00	0 00	0 00	0 50	220 00	440 00
Trading	0 40	0 00	3 95	0 00	4 35	847 50	194 83
Total Hours	30 70	28 00	42 20	0 10	101 00	29,096 00	288.08

**Dunster Properties Limited
Joint Administrators' Proposals**

Company Information

Company Number	02826968
Registered Office	Moorfields Corporate Recovery Limited, 88 Wood Street, London, EC2V 7QF
Trading Address	Halswell House, Halswell Park, Goathurst, Bridgwater, Somerset, TA5 2DH
Date of appointment	25 November 2011
Court.	High Court of Justice
Court Reference	10321 of 2011
Appointed by	Citibank N A (holder of QFCH)
Director Grahame M J Bond	Ordinary Shares Held 99

Summary of the initial proposals and the reasons for proposing a revision

The Joint Administrators' initial proposals were circulated to all creditors on 18 January 2012 and Notice of Deemed Approval was circulated on 30 January 2012. In Paragraph 1.2 of the proposal report it was stated that

If the outcome for unsecured creditors changes materially during the course of the Administration so that they may not be repaid in full, I will call a meeting of creditors. At this meeting, creditors may approve the proposals with or without modifications subject to the Joint Administrators' agreement to any such modifications

The initial proposals envisaged that all classes of creditor would be repaid in full following the realisation of the Company's assets. It is now clear that only the first ranking secured charge holder will receive a distribution in the Administration and the Joint Administrators are therefore convening a meeting of creditors to revise the proposals as follows

Details of the proposed revision including details of the administrators' assessment of the likely impact of the proposed revision upon each class of creditors

The Administrators now anticipate that there will be insufficient funds available for a distribution to any class of creditor apart from the first ranking secured creditor. In accordance with Paragraph 54 (2)(a) of Sch B1 the Administrators will be convening a meeting of the creditors of the Company to

be held at 88 Wood Street, London, EC2V 7QF, on 4 June 2015 at 10 00a m for the purposes of considering and revising the Proposals. Notice of the meeting is attached at Appendix V, The Joint Administrators' original proposals are attached at Appendix VI, the Statement of Revised Proposals is attached at Appendix VII and a form of proxy is attached at Appendix VIII

Enclosed with this letter and Proposals is Form 2 25B, which I would ask you to complete and return to my office no later than 12 00 hours on 3 June 2015 with a completed statement of claim form (also enclosed) or your vote will be disregarded as will any forms returned after the closing date

Creditors may approve the Proposals with or without modifications subject to the Administrators' agreement to any such modifications. If the creditors reject the Administrators' Proposals a report will be sent to the High Court of Justice confirming that the creditors have rejected the Proposals. The Court may then discharge the Administration and make consequential directions. Alternatively, it may adjourn the hearing or make some other Order as it thinks fit.

If the Administrators' Proposals are approved the Administrators will continue to control the business of the Company to the extent that it has not been transferred. The Administrators would at some later date arrange for the Company to exit from the Administration, as agreed by the creditors.

Based on information presently available it is not anticipated that there will be any funds available for the unsecured creditors after defraying the costs of Administration and the Company will be dissolved once the Administration is complete. Should there be sufficient funds available for a dividend to be paid to the unsecured creditors from the Prescribed Part the Company will move from Administration to Creditors' Voluntary Liquidation ("CVL").

The Joint Administrators propose that

- a) their revised proposals be approved
- b) That the Joint Administrators be discharged from liability under Paragraph 98(3) of Schedule B1 of the Insolvency Act 1986, immediately upon the appointment of the Joint Administrators ceasing to have effect

The following resolution is subject to approval under the Insolvency Rules 1986 Rule 2 67A and is not part of the proposals subject to approval under Paragraph 53 of the Insolvency Act 1986

- c) Under Rule 2 67A of the Insolvency (Amendment) Rules 2010 and in the absence of a creditors' committee, the unpaid pre-administration costs as detailed in the Joint Administrators' proposals be approved

Rule 2.35

Notice of a meeting of Creditors

Name of Company

Dunster Properties Limited

Company number

02826968

In the
High Court of Justice

(full name of court)

Court case number
10321 of 2011(a) Insert full name(s)
and address(es) of
administrator(s)

Notice is hereby given by (a)
Simon Thomas
Moorfields Corporate Recovery Limited
88 Wood Street
London
EC2V 7QF

Nicholas O'Reilly
Moorfields Corporate Recovery Limited
88 Wood Street
London
EC2V 7QF

(b) Insert full name and
address of registered
office of the company

that a meeting of creditors of (b)

Dunster Properties Limited
Moorfields Corporate Recovery LLP
88 Wood Street
London

(c) Insert details of place
of meeting

is to be held at (c) 88 Wood Street, London, EC2V 7QF

(d) Insert date and time
of meeting

on (d) 4 June 2015

at 10 00 a m

The meeting is

*Delete as applicable

~~*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')~~~~*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~~~*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~~~*(4) a further creditors' meeting under paragraph 56 of the Schedule~~~~*(5) a creditors' meeting under paragraph 62 of the Schedule~~

I invite you to attend the above meeting

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of your claim

Signed

Joint Administrator

Dated

18/5/15

*Delete as applicable

A copy of the *proposals/ revised proposals is attached

The Insolvency Act 1986

Administrator's progress report

Name of Company
Dunster Properties Limited

Company number
02826968

In the High Court of Justice
(full name of court)

Court case number
10321 of 2011

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

I/We (a)
Simon Thomas
Moorfields Corporate Recovery Limited
88 Wood Street
London
EC2V 7QF

Nicholas O'Reilly
Moorfields Corporate Recovery Limited
88 Wood Street
London
EC2V 7QF

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

(b) Insert date

From
(b) 22 October 2014

To
(b) 21 April 2015

Signed


Joint Administrator

Dated

18/5/15

Dunster Properties Limited
In Administration

Name of Creditor _____

Address _____

Name of Proxy Holder

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well.

1 _____

2 _____

3 _____

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on 4 June 2015 or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion)

*Please delete as appropriate

Voting Instructions for resolutions

For Against

a That the Joint Administrators' revised proposals as circulated be accepted

☐☐

b That the Joint Administrators be discharged from liability under Paragraph 98(3) of Schedule B1 of the Insolvency Act 1986, immediately upon the appointment of the Joint Administrators ceasing to have effect

☐☐

c Under Rule 2.67A of the Insolvency (Amendment) Rules 2010 and in the absence of a creditors' committee, the unpaid pre-administration costs as detailed in the Joint Administrators' proposals be approved

☐☐

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor has not signed in person

Position with creditor or relationship to creditor or other authority for signature
