



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

1 Company details

Company number 0 9 7 3 9 4 4 4

Company name in full County Tower Properties Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Colin Michael Trevethyn

Surname Haig

3 Administrator's address

Building name/number 2nd Floor Regis House

Street 45 King William Street

Post town London

County/Region

Postcode E C 4 R 9 A N

Country

4 Administrator's name ①

Full forename(s) Nicola

Surname Banham

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 2nd Floor Regis House

Street 45 King William Street

Post town London

County/Region

Postcode E C 4 R 9 A N

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 2	^d 2	^m 0	^m 5	^y 2	^y 0	^y 2	^y 3	
To date	^d 2	^d 1	^m 1	^m 1	^y 2	^y 0	^y 2	^y 3	

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X 	X							
Signature date	^d 1	^d 8	^m 1	^m 2	^y 2	^y 0	^y 2	^y 3	

**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 **Michael Carr-White**

Company name **Azets**

Address **2nd Floor Regis House**

45 King William Street

Post town **London**

County/Region

Postcode

E C 4 R 9 A N

Country

DX

Telephone **0207 403 1877**

**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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

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

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Matthew

Surname

Richards

3 Insolvency practitioner's address

Building name/number 2nd Floor Regis House

Street 45 King William Street

Post town London

County/Region

Postcode E C 4 R 9 A N

Country

County Tower Properties Limited - In Administration

Joint Administrators' Progress Report for the Period from 22 May 2023 to 21 November 2023

18 December 2023

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- C** Additional Information in Relation to the Joint Administrators' Fees, Expenses & the Use of Subcontractors and Other Professional Advisors.

1 Introduction

- 1.1 Colin Haig, Nicola Banham and Matthew Richards all of Azets Holdings Limited, which trades as Azets, were appointed Joint Administrators of County Tower Properties Limited (“the Company”) on 22 November 2022. The appointment was made by Hyde Park Finance Limited (“HPF”) of One Connaught Place, London, W2 2ET, pursuant to its floating charge.
- 1.2 This Administration is being handled by Azets at 2nd Floor, Regis House, 45 King William Street, London, EC4R 9AN. The Joint Administrators’ can be contacted by phone on 0207 403 1877 or via email at michael.carr-white@azets.co.uk. The Administration is registered in the High Court of Justice, Business and Property Courts of Manchester, Insolvency and Companies List (ChD) with reference number 1083 of 2022.
- 1.3 The Company’s former registered office address was Elscot House, Arcadia Avenue, London, N3 2JU and it traded from 617 Finchley Road, London, N3 2JU (“the Development Site”).
- 1.4 The registered office of the Company has been changed to 2nd Floor, Regis House, 45 King William Street, London, EC4R 9AN and its registered number is 09739444.
- 1.5 The Joint Administrators are required to provide a progress report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This progress report covers the period from 22 May 2023 to 21 November 2023 (“the Period”) and should be read in conjunction with the Joint Administrators’ Report and Statement of Proposals (“the Proposals”) and the previous progress report covering the period from 22 November 2022 to 21 May 2023.
- 1.6 The Joint Administrators confirm that the Administration has been extended to 21 November 2024, by consent of the secured creditor. Further information on this can be found in Section 3 below.
- 1.7 As set out in the Proposals, the Joint Administrators are seeking to achieve the third objective, realising property in order to make a distribution to one or more secured or preferential creditors. The Joint Administrators believe that there will be sufficient funds to make a distribution to the secured creditors but insufficient funds available for the unsecured creditors and, therefore, the Joint Administrators made a Paragraph 52(1)(b) statement.
- 1.8 Information about the way that the Joint Administrators will use, and store personal data on insolvency appointments can be found at <https://www.azets.co.uk/about-us/privacy-cookie-policy/>. If you are unable to download this, please contact us and a hard copy will be provided to you.

2 Receipts and Payments

- 2.1. Attached at Appendix A is our Receipts and Payments Account covering the Period and a Cumulative Receipts and Payments Account from the date of our appointment as Joint Administrator to 21 November 2023, which includes a comparison to the director’s Statement of Affairs (“SOA”) estimated to realise value (“ETR”).
- 2.2. In Section 3 below, you will find an update on the progress made during the Period in realising the Company’s assets and dealing with its affairs.
- 2.3. As of 21 November 2023, a total of £1,168 was held in the Administration bank account and funding of £177,000 had been received from HPF, £73,000 of which was received during the Period. The funding from HPF has been provided to cover essential costs during the Administration and will be repaid in full from the proceeds of the sale of the Development Site.
- 2.4. The bank account is held with Royal Bank of Scotland plc and is interest bearing. During the Period, gross bank interest of £123 was received. This account has been reconciled to the bank statements.

3 Progress of the Administration

- 3.1 You may recall that the statutory objective being pursued in the Administration is to realise property in order to make a distribution to one or more secured and preferential creditors. 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.
- 3.2 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Joint Administrators under other related legislation.
- 3.3 As noted above, it was necessary to extend the statutory period of Administration by one year so that the Joint Administrators can conclude the sale of the Development Site and finalise all other matter in the Administration. Consent to extend the period was obtained from HPF on 24 October 2023 and the Administration will now, unless it is necessary to extend the period further, come to an automatic end on 21 November 2024.

Administration (including statutory compliance & reporting)

- 3.4 As noted above, the Joint Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that the Joint Administrators anticipated would need to be done in this area was outlined in the Proposals.
- 3.5 The work undertaken in this regard during the Period can be summarised as follows:
- Overseeing the marketing and proposed sale of the Development Site;
 - Liaising with estate agents, reviewing offers and liaising with interested parties in respect of the sale;
 - Overseeing site security including inspections, site visits and insurance requirements;
 - Arranging payments in respect of critical supplies for the Development Site;
 - Reviewing and renewing insurance cover in respect of the Development Site;
 - Liaising with Transport for London ("TFL") and arranging for a hoarding licence application on the Development Site;
 - Preparing and issuing the prior progress report, notifying creditors of this, and associated formalities including relevant statutory notices at Companies House;
 - Preparing documentation in respect of the request for an extension of the Administration and reporting on the outcome of this extension to Companies House and the Court;
 - Notifying creditors of the outcome of the decision to extend the Administration;
 - Dealing with routine correspondence and emails relating to the case;
 - Maintaining physical case files and electronic case details on IPS (case management software);
 - Undertaking periodic reviews of the progress of the Administration;
 - Case planning, administration and general case progression;
 - Maintaining and managing the appointment's cashbook and bank account;
 - Undertaking regular bank reconciliations of the bank account containing estate funds;
 - Liaising with HM Revenue and Customs ("HMRC") in respect of the Company's Pre-Administration VAT position;
 - Providing regular updates to the secured lender in respect of Administration progress and costs; and
 - Overseeing and controlling the work undertaken on the case by case staff.
- 3.6 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint Administrators.

- 3.7 As noted in the Joint Administrators' initial fees estimate information, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

Realisation of Assets

Development Site

- 3.8 Creditors will be aware from the Proposals and the previous progress report that the Company's main asset is the freehold title for the Development Site, which is subject to a fixed charge in favour of HPF.
- 3.9 The development work had ceased prior to the Joint Administrators' appointment and they took steps to insure and secure the site in the previous reporting period.
- 3.10 Vandermolen Real Estate Ltd ("Vandermolen"), specialist property marketing agents, were instructed to provide a strategy for the marketing and sale of the Development Site.
- 3.11 Further details in respect of the marketing of the Development Site can be found in the previous report. Interested parties were invited to submit their bids and offers were reviewed by the Joint Administrators, HPF and their agents. A large number of offers were received and an offer has been accepted, subject to contract. Details of the sale remain confidential at this stage. Further details will be provided in the Joint Administrators' subsequent progress report following the completion of the sale.

Third Party Funding

- 3.12 As detailed in the Proposals, HPF have agreed to provide funding to cover the cost of the Administration including, but not limited to, site security, insurance, and professional costs. Funds of £73,000 have been received from HPF in the Period, and funds of £177,000 have been received from HPF in total during the Administration. This funding is to be repaid to HPF from asset realisations in due course.

Other Debtors

- 3.13 The financial accounts for period to 31 August 2021 include debtors totalling £188,181, however, the director's SOA shows these to have an estimated to realise value of nil. Further details on this matter are contained in the Joint Administrators' previous progress report.
- 3.14 Included within the balance was a VAT refund of £27,000 and the Joint Administrators have requested further information from the director to determine whether the claim is available.

Cash at Bank

- 3.15 As set out in the previous progress report, cash at bank totalling £718 has been received. No further realisations of this asset category are expected.
- 3.16 The work that the Joint Administrators and their staff have undertaken to date is anticipated to meet the statutory purpose of the Administration, as detailed in the Proposals, as it is anticipated to result in a distribution to the secured creditor of the Company.

Creditors (claims and distributions)

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

- 3.18 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.
- 3.19 Work undertaken by Joint Administrators in dealing with a company's creditors may only bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however, an Administrator is required by statute to undertake this work.
- 3.20 If a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Administrators in dealing with those claims.
- 3.21 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.

Investigations

- 3.22 You may recall from the Joint Administrators' 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.
- 3.23 The Joint Administrators' 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.
- 3.24 The Joint Administrators' investigations are now complete.

Outstanding Matters

- 3.25 The following matters remain to be dealt with in the Administration:
- Completion of the sale in respect of the Development Site;
 - Distribution of funds to the secured creditor upon completion of the sale of the Development Site;
 - Repayment of third-party funding to HPF;
 - Finalise accounts for site security;
 - Complete post-appointment VAT returns and corporation tax computations;
 - Complete outstanding pre-appointment VAT returns;
 - Deregister the Company for VAT purposes;

4 Estimated Outcome for Creditors

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

Secured Creditors

- 4.2 HPF holds a fixed and floating charge over the Company's assets in respect of funding via a term loan. The initial charge was created on 15 July 2016 and registered at Companies House on 19 July 2016.
- 4.3 A further charge was created on 27 March 2020 and registered at Companies House on 8 April 2020 in respect of further financial support provided to enable the Company to continue to develop the site at 617 Finchley Road.
- 4.4 According to the director's statement of affairs, at the date of the Administration the indebtedness to the secured creditor, HPF, was £14,242,243, subject to accruing interest and charges.
- 4.5 The quantum of any dividend available to HPF is subject to the offers received in respect of the Development Site and the costs of the Administration.
- 4.6 Further information on the funds available to HPF will be provided in the next progress report, as the sale price of the Development Site remains confidential at this time.

Prescribed Part

- 4.7 There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a floating charge over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part net of property". A company's net property is that left after paying the preferential creditors and the costs of the Administration but before paying the lender who holds a floating charge. An Administrator has to set aside:
- 50% of the first £10,000.00 of the net property; and
 - 20% of the remaining net property up to a maximum of £800,000.00.
- 4.8 Based on present information, it is not anticipated that there will be any net floating charge property and as such, there will be no prescribed part to distribute to the unsecured creditors.

Preferential Creditors

Ordinary Preferential Creditors

- 4.9 The ordinary preferential creditors of a company are the former employees for arrears of wages, holiday pay, arrears of pension contributions (up to statutory limits) and the RPS for any payments made to employees from the National Insurance Fund.
- 4.10 As the Company did not have any employees, no ordinary preferential claims are anticipated in the Administration.

Secondary Preferential Creditors

- 4.11 The secondary preferential creditor of a company is HMRC in respect of amounts claimed for VAT, PAYE, NICs, employee NIC deductions, student loans and CIS deductions.
- 4.12 The Joint Administrators are not aware of any preferential creditors at this time and continue to liaise with HMRC to determine the current tax position and whether there are any outstanding returns or amounts owed to HMRC. This work is ongoing and further information in relation to this will be provided in the next progress report.
- 4.13 It is estimated that there will be insufficient funds available for secondary preferential creditors.

Unsecured Creditors

- 4.14 Claims totalling £224,282 have been received from 7 creditors to date compared to the £5,912,923 estimated in the director's SOA. The difference is predominantly due to the two largest unsecured creditors not yet submitting claims in the Administration.
- 4.15 Please be advised that the Joint Administrators do not have the power to declare and pay a dividend to unsecured creditors without first obtaining a court order to do so. In any event, it is anticipated that there will be insufficient funds available in the Administration for unsecured creditors and therefore, the Joint Administrators do not intend to review or agree any claims received.

5 Pre-administration Costs

- 5.1 As detailed in the Proposals and the previous report, the pre-Administration costs incurred are as follows:
- Azets - in respect of their pre-appointment insolvency advice in relation to placing the Company into Administration for the value of £3,491.00 plus VAT; and
 - Hill Dickinson LLP - in respect of their assistance with placing the Company into Administration and preparing the appropriate legal documentation for the value of £3,800.00 plus VAT.
- 5.2 The Azets fees were charged in accordance with the terms of an engagement letter dated 22 November 2022 between Azets and HPF.
- 5.3 The payment of unpaid pre-administration costs as an expense of the Administration is subject to the approval of creditors. As the Joint 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, if any), approval will be sought from the secured and preferential creditors, if any, in accordance with insolvency legislation.
- 5.4 As the Company does not have any preferential creditors, approval of these pre-Administration costs will be sought from HPF. These fees remain outstanding in full and will not be paid until approval has been received.
- 5.5 The Joint Administrators requested approval from HPF for the pre-appointment costs, via email on 23 December 2022. This was subsequently chased via email twice and it was agreed that approval would be sought following the sale of the Development Site.

6 Joint Administrators' Remuneration and Expenses

Joint Administrators' Remuneration

- 6.1 The Joint Administrators are seeking approval for their remuneration to be fixed by reference to the time properly spent by them and their staff in dealing with the affairs of the Company.
- 6.2 The fee estimate and details of the work that the Joint Administrators proposed to be undertaken in the Administration was included in the Proposals which were circulated to creditors on 23 December 2022. This fee estimate anticipated time costs of £187,075.
- 6.3 Time costs for the Period are £57,064. This represents 174 hours at an average rate of £329 per hour. Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to the time properly spent by the Joint Administrators and their staff in managing the Administration.

- 6.4 Also attached at Appendix B is a cumulative Time Analysis for the period from 22 November 2022 to 21 November 2023 which provides details of the time costs incurred since the Joint Administrators' appointment. The cumulative time costs incurred to date are £160,985 and this represents 496 hours at an average rate of £325 per hour.
- 6.5 The Joint Administrators expect that their initial fee estimate may be exceeded. The original fees estimate was based upon a sale of the Development Site within six months of the Joint Administrators' appointment and the closure of the Administration within twelve months. At this time, the Development Site has not been sold and the Administration has been extended for a further one year period, as a result the fee estimate may be exceeded.
- 6.6 Additional time costs beyond the original fee estimate may be incurred due to the additional time spent obtaining the extension of the Administration, issuing additional progress reports, dealing with additional cashing requirements, ongoing case management/strategy and completing post-appointment VAT and other tax matters. The prolonged sale of the Development Site has also led to additional time being spent dealing with site security, insurance matters and monthly payments of property expenses, as well as additional time being spent liaising with interested parties.
- 6.7 The payment of the Joint Administrators' remuneration is subject to the approval of HPF. These fees remain outstanding in full and will not be paid until approval has been received. The Joint Administrators requested approval from HPF, via email on 23 December 2022. This was subsequently chased via email twice and it was agreed that approval would be provided following the sale of the Development Site. Further detail on this matter will be contained in the Joint Administrators' next progress report.
- 6.8 If the Joint Administrators consider the estimate will be exceeded during the Administration, they are obliged to seek further approval for any increase in their remuneration. The Joint Administrators will liaise with the secured lender, HPF, to vary and approve the fee estimate. Further details will be provided in the next progress report.

Joint Administrators' Expenses

- 6.9 Details of the expenses incurred in the Administration are included in Appendix C.
- 6.10 The Joint Administrators have paid category 1 expenses of £150,937 during the Administration, of which £76,872 was paid during the Period.
- 6.11 No approval has been sought in respect of category 2 expenses. It is anticipated that these will be written off by the Joint Administrators upon the closure of the Administration.
- 6.12 The expenses incurred are in line with the estimates provided for in the Proposals circulated to creditors in the Proposals, with the exception of the following expenses;
- Vandermolen Real Estate – marketing costs as outlined in the Joint Administrators' first progress report. They were engaged to assist with the marketing of the Development Site. Fees are estimated at between £75,000 and £150,000.
 - Cushman and Wakefield – marketing costs as outlined in the Joint Administrators' first progress report. They were engaged to assist with the marketing of the Development Site. Fees are fixed at £5,000.
 - Cushman and Wakefield – site management costs as outlined in the Joint Administrators' first progress report. They were engaged to assist with general site management issues. Their fees estimate is currently £8,000 which has increased from the previous estimate of £7,500 due to delays in the sale of the Development Site.

- Property holding costs – costs for scaffolding hire, scaffolding inspections, crane hire, utilities, insurance, and hoarding licences continue to accrue. The future costs are estimated on a sale being completed by 21 May 2024 and may be subject to change if a sale concludes at a different time.
- 6.13 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from https://www.azets.co.uk/media/3drpqrqa/administration_a_guide_for_creditors_on_insolvency_practitioner_fees- version_1_april_2021.pdf.
- 6.14 Attached at Appendix C is additional information in relation to the Joint Administrators' remuneration and expenses.
- Professional Advisors
- 6.15 Information on the professional advisors which were paid in the Administration is contained in Appendix C.
- 6.16 The Professional Advisors will remain instructed in the Administration until the Development Site has been sold. Further fees are anticipated to be incurred and paid, details of which are uncertain at present, but will be provided to creditors in the Joint Administrators' next progress report.
- 6.17 The choice of professionals was based on the Joint Administrators' perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. It was also considered that the basis on which they will charge their fees represented value for money. The charges were reviewed during the period of the instructions and the Joint Administrators are satisfied that they are reasonable in the circumstances of this case.

7 Creditors' Rights

- 7.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Administrators, as set out in this progress report, are excessive.

8 Ending the Administration

- 8.1 All Administrations come to an end after a period of one year, unless the Company's creditors agree to extend this period, or the Court orders the Joint Administrators' term of office to be extended for a specific period of time. The period of the Administration has been extended by one year in order to complete a sale of the Development Site.
- 8.2 Based on present information, the Joint Administrators believe that the Company has insufficient property to permit a distribution to the unsecured creditors and that there may only be a distribution available to the secured creditor of the Company. As a result, once these distributions have been made and other formalities have been concluded, a notice will be filed at Court and with the Registrar of Companies with the Joint Administrators' final report, for the dissolution of the Company.
- 8.3 The Joint Administrators' appointment will end following the registration of the notice by the Registrar of Companies.

- 8.4 The Joint Administrators will 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.

9 Next Report

- 9.1 The Joint Administrators are required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.
- 9.2 Should you have any queries in relation to this report of the Administration in general, please contact Michael Carr-White of this office on 0207 403 1877 or by email at Michael.carr-white@azets.co.uk.

For and on behalf of
County Tower Properties Limited



Nicola Banham
Joint Administrator

Appendix A

Receipts and Payments Account from 22 May 2023 to 21 November 2023 with a Cumulative Receipts and Payments Account from 22 November 2022 to 21 November 2023

County Tower Properties Limited - In Administration
Receipts and Payments Account for the Period 22 May 2023 to 21 November 2023
with a Cumulative Receipts and Payments Account for the period 22 November 2022 to 21 November 2023

	Statement of affairs ETR £	22/05/2023 to 21/11/2023 £	22/11/2022 to 21/11/2023 £
RECEIPTS			
617 Finchley Road	12,000,000.00	-	-
Other Debtors	NIL	-	-
Cash at Bank	717.63	-	717.63
Bank Interest Gross		123.02	140.55
		<u>123.02</u>	<u>858.18</u>
PAYMENTS			
Agents/Valuers Fees - Cushmans		10,000.00	28,750.00
Agents Fees: Men-Sec Group Limited		10,465.00	22,270.40
Agents Fees: Vandermolen Real Estate		-	8,680.00
Legal Fees: Trowers & Hamlins LLP		5,000.00	5,000.00
Insurance		8,735.36	17,470.72
Scaffolding Costs		12,000.00	13,360.00
ICO		40.00	80.00
Crane Hire - Trident Lifting Solutions Limited		26,426.40	49,803.60
Utilities		2,292.15	3,609.55
Hoarding Costs		1,913.00	1,913.00
		<u>76,871.91</u>	<u>150,937.27</u>
Net Receipts/(Payments)		<u>(76,748.89)</u>	<u>(150,079.09)</u>
MADE UP AS FOLLOWS			
Bank account		(16,641.75)	1,167.67
Fixed charge VAT receivable / (payable)		12,892.86	25,753.24
Third Party Funding - HPF		(73,000.00)	(177,000.00)
		<u>(76,748.89)</u>	<u>(150,079.09)</u>

Appendix B

**Time Analysis for the Period from 22 May 2023 to 21 November 2023 with a Cumulative Time Analysis from
22 November 2022 to 21 November 2023**

County Tower Properties Limited - In Administration
Analysis of Joint Administrators' time costs for the
period 22 May 2023 to 21 November 2023

Classification of work function	Hours						Charge (£)	Average Rate (£)
	Partner	Manager	Senior	Administrator	Cashier	Total Hours		
Administration and planning								
Appointment & Related Formalities	-	-	-	3.60	-	3.60	270.00	75.00
Bonding & Review	-	-	-	-	-	-	-	-
Books & Records	-	-	-	-	-	-	-	-
Cashiering & Banking	2.95	1.70	0.90	16.00	16.90	38.45	7,582.75	197.21
Checklists & Reviews	1.00	0.50	-	8.10	-	9.60	2,471.50	257.45
Director/Other Advice	-	-	-	-	-	-	-	-
Filing	-	-	-	2.60	-	2.60	390.00	150.00
General	1.50	-	-	1.80	-	3.30	1,165.00	353.03
Correspondence/Letters/Emails	-	-	-	-	-	-	-	-
Insurance	1.30	-	-	-	-	1.30	676.00	520.00
Other	-	-	-	6.90	-	6.90	712.50	103.26
Post Appointment VAT & Tax	1.30	-	-	9.20	-	10.50	1,765.00	168.10
Progress Reports & Related Formalities	7.30	1.50	-	16.40	-	25.20	7,588.00	301.11
Strategy	4.50	-	-	-	-	4.50	2,340.00	520.00
Creditors								
Creditor Claims	-	-	-	-	-	-	-	-
General	-	-	-	1.50	-	1.50	112.50	75.00
Correspondence/Letters/Emails	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Pension	-	-	-	0.40	-	0.40	102.00	255.00
Pre Appointment VAT/PAYE/CTax	-	-	-	0.30	-	0.30	22.50	75.00
Secured Creditors Claims etc	1.00	-	-	2.00	-	3.00	727.50	242.50
Unsecured Distribution	-	-	-	-	-	-	-	-
Investigations								
Antecedent Transactions	-	-	-	-	-	-	-	-
D Form Drafting & Submission	-	-	-	-	-	-	-	-
Directors Questionnaire & Checklist	-	-	-	-	-	-	-	-
General	-	-	-	2.00	-	2.00	150.00	75.00
Correspondence/Letters/Emails	-	-	-	-	-	-	-	-
Other	0.20	-	-	-	-	0.20	104.00	520.00
Realisation of assets								
Cash & Investments	-	-	-	-	-	-	-	-
Freehold Property/Improvements	57.75	-	-	1.00	-	58.75	30,105.00	512.43
Leasehold	1.00	-	-	-	-	1.00	520.00	520.00
Propoerty/Improvements	-	-	-	-	-	-	-	-
Other	0.50	-	-	-	-	0.50	260.00	520.00
Total	80.30	3.70	0.90	71.80	16.90	173.60	57,064.25	328.71

County Tower Properties Limited - In Administration
Analysis of Joint Administrators' time costs for the
period 22 November 2022 to 21 November 2023

Classification of work function	Hours						Charge (£)	Average Rate (£)
	Partner	Manager	Senior	Administrator	Cashier	Total Hours		
Administration and planning								
Appointment & Related Formalities	65.90	-	-	31.70	-	97.60	33,728.00	345.57
Bonding & Review	0.60	-	-	1.50	-	2.10	597.00	284.29
Books & Records	-	-	-	6.50	-	6.50	845.00	130.00
Cashiering & Banking	4.25	1.70	0.90	30.05	34.90	71.80	12,535.75	174.59
Checklists & Reviews	4.00	0.50	-	20.20	-	24.70	5,466.50	221.32
Director/Other Advice	9.30	-	-	-	-	9.30	4,185.00	450.00
Filing	-	-	-	8.35	-	8.35	1,137.50	136.23
General	4.80	-	-	6.00	-	10.80	3,245.00	300.46
Correspondence/Letters/Emails	-	-	-	-	-	-	-	-
Insurance	6.10	-	-	0.30	-	6.40	2,875.00	449.22
Other	-	-	-	12.20	-	12.20	1,421.50	116.52
Post Appointment VAT & Tax	1.30	-	-	12.00	-	13.30	2,192.00	164.81
Progress Reports & Related Formalities	7.80	1.50	-	16.40	-	25.70	7,863.00	305.95
Strategy	8.80	-	-	1.20	-	10.00	4,556.00	455.60
Creditors								
Creditor Claims	1.00	-	-	0.80	-	1.80	599.00	332.78
General	0.50	-	-	11.40	-	11.90	1,624.50	136.51
Correspondence/Letters/Emails	-	-	-	-	-	-	-	-
Other	-	-	-	1.50	-	1.50	195.00	130.00
Pension	-	-	-	0.40	-	0.40	102.00	255.00
Pre Appointment VAT/PAYE/CTax	-	-	-	0.60	-	0.60	61.50	102.50
Secured Creditors Claims etc	12.50	-	-	2.00	-	14.50	5,972.50	411.90
Unsecured Distribution	1.30	-	-	-	-	1.30	585.00	450.00
Investigations								
Antecedent Transactions	3.50	-	-	4.70	-	8.20	2,186.00	266.59
D Form Drafting & Submission	1.50	-	-	3.90	-	5.40	1,182.00	218.89
Directors Questionnaire & Checklist	-	-	-	3.40	-	3.40	442.00	130.00
General	1.20	-	-	4.50	-	5.70	1,140.00	200.00
Correspondence/Letters/Emails	-	-	-	-	-	-	-	-
Other	0.20	-	-	4.35	-	4.55	669.50	147.14
Realisation of assets								
Cash & Investments	0.20	-	-	0.40	-	0.60	178.00	296.67
Freehold Property/Improvements	128.15	-	-	5.50	-	133.65	63,721.00	476.78
Leasehold	1.50	-	-	-	-	1.50	745.00	496.67
Propoerty/Improvements	-	-	-	-	-	-	-	-
Other	2.00	-	-	-	-	2.00	935.00	467.50
Total	266.40	3.70	0.90	189.85	34.90	495.75	160,985.25	324.73

Appendix C

**Additional Information in Relation to the Joint Administrators' Fees, Expenses & the Use of Subcontractors
and Other Professional Advisors**

Professional Advisors

The table below summarises the professional advisors used during the Administration, the nature of work undertaken and the basis of the fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Nature of work	Basis of Fee Arrangement
Vandermolen Real Estate	Marketing and advertising of the Development Site	1.25% of the sale price plus VAT and disbursements
Hill Dickinson	Legal advice in respect of general post appointment matters	Time costs estimated to be in the region of £20,000 plus VAT
Trowers & Hamlins	Legal advice in relation to the validity of the Joint Administrators appointment	Fixed fee of £5,000 plus VAT
Cushman & Wakefield	Technical due diligence on the Development Site works completed prior to the Administration	Fixed fee of £15,000 plus VAT
	Reinstatement cost valuation for insurance purposes	Fixed fee of £3,750 plus VAT
	Marketing assistance	Fixed fee of £5,000 plus VAT
	Site management and support	Fixed at £1,500 plus VAT per month through to April 2023 and thereafter £750 plus VAT per month

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

Subcontractors

The services of subcontractors have not been used in this case.

Joint Administrators' Expenses

The estimate of expenses which were anticipated in the Administration was provided to creditors in the Joint Administrators Proposals report.

Category 1 expenses

Category 1 expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs.

Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case including professional fees for advisors. These expenses may include expenses which are payments first met by an office holder and then reimbursed from the estate.

The table overleaf summarises the category 1 expenses incurred and paid in the Administration and during the Period.

Expense	The Period		The Administration		Future anticipated expenses (£)
	Incurred during the Period (£)	Paid during the Period (£)	Incurred during the Administration (£)	Paid during the Administration (£)	
Estate agent fees - Vandermolen Real Estate Ltd	-	-	8,680	8,680	75,000-150,000
Legal fees - Hill Dickinson	510	-	7,202	-	20,000
Legal fees - Trowers & Hamlins	-	5,000	5,000	5,000	-
Agents fees - Cushman & Wakefield – Technical due diligence	-	-	15,000	15,000	-
Agents fees - Cushman & Wakefield – Valuation	-	-	3,750	3,750	-
Agents fees - Cushman & Wakefield - Marketing	-	5,000	5,000	5,000	-
Agents fees - Cushman & Wakefield – Site management	500	5,000	8,000	5,000	-
Agents fees - Men-Sec Group Limited – Initial site security and alarm installation	-	-	3,230	3,230	-
Agents fees - Men-Sec Group Limited – Alarm rental	3,429	3,375	6,500	6,125	3,250
Agents fees - Men-Sec Group Limited – Inspection costs, site attendance, water pumping and alarm call outs	6,840	7,090	14,400	12,915	6,500
Scaffolding hire – Inspection	10,000	10,000	10,000	10,000	12,000
Scaffolding hire – Rental	2,080	2,000	3,680	3,360	2,080
Crane Hire	26,426	26,426	52,852	49,804	26,426
British Gas	2,431	2,292	3,939	3,610	2,000
Insurance of Assets	8,735	8,735	17,471	17,471	9,357
Hoarding Licence	1,913	1,913	1,913	1,913	-
ICO	40	40	80	80	-
Specific Bond	56	-	113	-	-
Storage Costs	-	-	-	-	1,000
Statutory Advertising	-	-	188	-	-
Travel	-	-	21	-	-
Total Category 1 Expenses	62,960	76,872	167,019	150,937	157,914–307,914

Future anticipated expenses are dependent on the timing of the sale of the Development Site, and will vary according to the duration of the Joint Administrators' appointment. For the purposes of this report, an illustrative amount of six months of costs for each property related expense has been included as the future anticipated expenses.

Vandermolen Real Estate Ltd have been paid £8,680 in the Administration in relation to marketing expenses, and will be paid a fee of 1.25% of the Development Site sale price. This expense was not included in the Joint Administrators' fee estimate contained within the Proposals, as Vandermolen Real Estate had not been engaged at that time.

The expenses that have been paid during the Period include the insurance cover, crane hire and utility costs. Insurance costs total £8,735 for the Period and future payments are dependent on the timing of the sale of the Development Site.

Payments totalling £22,270 have been made to The Men-Sec Group Limited in relation to site security and maintenance, and this has exceeded the Joint Administrators' fees estimate contained in the Proposals. This is due to the fees estimate being based upon the assumption of a sale of the Development Site within six months and an increase in insurance obligations for site security and maintenance.

Payments of £3,939 have been made to British Gas in respect of the ongoing supply of electricity to the Development Site, of which £2,292 were paid during the Period. This expense was not included in the Joint Administrators' fees estimate but has been necessary to ensure the safety and maintenance of the Development Site.

Payments totalling £80 have been made to the Information Commissioner's Office ("ICO") in respect of a personal data protection fee, of which £40 was paid during the Period. This expense was not included in the Joint Administrators' fees estimate but has been necessary to ensure that personal data processing falls within the UK's data protection laws and guidelines.

Payments totalling £13,360 have been made to CMA Building Services Ltd trading as Q Scaffolding during the Administration, £12,000 of which was paid during the Period. This includes costs of the hiring of scaffolding and requisite safety inspections. Rental of the scaffolding has only been incurred from June 2023 at a rate of £2,000 per month. This expense was not included in the Joint Administrators' fees estimate but has been necessary to maintain the safety of the Development Site.

Payments totalling £49,804 have been to Trident Lift Solutions Ltd in respect of the ongoing crane hire at the Development Site, of which £26,426 was paid in the Period. This amount is made up of weekly hire payments of £1,016. The crane is built into the site and removal would be prohibitive to any purchaser. This expense was not anticipated in the Joint Administrators' fee estimate.

TFL were paid £1,903 in relation to a hoarding licence application for the Development Site, during the Period. This covers the period through to 30 May 2024. If a sale is not completed by that date, further costs will be incurred. This expense was not included in the Joint Administrators' fees estimate as was unforeseen, however it has been necessary to ensure the Company's compliance with TFL rules and regulations regarding the use of hoarding on pavements and walkways.

Category 2 expenses

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

No approval has been sought in respect of category 2 expenses. It is anticipated that these will be written off by the Joint Administrators upon the closure of the Administration.

Details of Category 2 expenses incurred are summarised below:

<i>Expense</i>	<i>The Period</i>		<i>The Administration</i>		<i>Future anticipated expenses (£)</i>
	<i>Incurred during the Period (£)</i>	<i>Paid during the Period (£)</i>	<i>Incurred during the Administration (£)</i>	<i>Paid during the Administration (£)</i>	
Stationery	1	-	7.40	-	10-20
Postage	20.20	-	45.16	-	50-100

Provision of Services Regulations

When carrying out all professional work relating to an insolvency appointment, Insolvency Practitioners are bound by the Insolvency Code of Ethics.

To comply with the Provision of Service Regulations, some general information about Azets Holdings Limited, including our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, is available on our website using the following link: www.azets.co.uk/about-us/legal-regulatory-information/.

AZETS HOLDINGS LIMITED – FEES AND EXPENSES POLICY**Introduction**

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk>.

Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency 9 (SIP 9) and can be accessed at <https://www.azets.co.uk/restructuring-and-insolvency-downloads/>. A hard copy may be requested from Azets Holdings Limited, 2nd Floor Regis House, 45 King William Street, London, EC4R 9AN or Michael.carr-white@azets.co.uk.

Staff Allocation and Charge Out Rates

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. Work carried out by all staff is subject to the overall supervision of the office holders.

The constitution of the case team will usually consist of a Partner/Director, Manager and an Administrator as well as support staff. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several members of staff may be allocated to meet the demands of the case.

We operate a time recording system which allows staff working on the assignment along with the office holders to allocate their time to an assignment in 6 minute units.

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. The work is generally recorded under the following categories:

- Administration and planning
- Investigations
- Realisation of assets
- Creditors
- Trading
- Case specific matters

Time costs are recorded at the individual's hourly rate in force at that time. Our charge out rates increased on 1 May 2023 and are shown below, exclusive of VAT.

1 May 2023 to date	£	1 February 2022 to 30 April 2023	£	3 December 2018 to 31 January 2022	£
Partner/Director	520.00 – 665.00	Partner/Director	400.00 – 580.00	Partner	430.00 - 470.00
Manager	320.00 – 430.00	Manager	280.00 – 375.00	Directors/Manager	210.00 - 390.00
Administrator	150.00 – 320.00	Administrator	130.00 – 275.00	Administrator	110.00 - 210.00
Support Staff	150.00	Support Staff	120.00	Junior/Trainee Administrator	95.00 - 200.00
				Cashiers/Secretaries	60.00 - 100.00

Included within the manager grade are Senior Manager, Manager and Assistant Manager. Included within the Administrator grade are Senior Administrator and Assistant. Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

Please note that charge out rates are reviewed annually and may be subject to change.

Expenses

On insolvency appointments, an office holder will typically incur expenses which relate to that assignment. Expenses (or costs) are amounts properly payable by an office holder from an insolvency estate which are not otherwise categorised as the office holder's remuneration or a distribution to a creditor or shareholder. These expenses may include, but are not limited to, agent's costs for disposal and realisation of assets, legal costs, specialist pension advice, tax services or other routine expenses associated with an insolvency appointment such as statutory advertising costs, the office holder's specific penalty bond and costs associated with storing the books and records. Expenses also include disbursements which are payments that are first met by the office holder and then reimbursed at a later date from the estate, usually when realisations permit. Details of the anticipated expenses on an insolvency assignment will be outlined in the office holder's fees estimate or other information provided to creditors about the fee basis or bases being proposed.

Expenses recharged to, or incurred directly by, an insolvent estate are subject to VAT at the applicable rate where appropriate.

Some expenses can be paid without prior approval from creditors (referred to as Category 1 expenses) and other expenses which may have an element of shared costs or are proposed to be paid to an associate of the office holder, require approval before they can be paid (referred to as Category 2 expenses).

Category 1 expenses are directly referable to an invoice from a third party that is not an associate of the office holder or the firm, which is either in the name of the estate or Azets Holdings Limited; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the insolvency estate. These costs are recoverable without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party.

Category 2 expenses are directly attributable to the estate but include an element of shared costs or is a payment to an associate of the office holder or the firm. These expenses are recoverable from the estate, subject to the prior approval of the creditors, in the same manner as the approval of the office holder's remuneration.

The Category 2 expenses which include an element of shared costs and are charged by this firm are as follows:

- Postage – charged in accordance with the current Royal Mail price guide for first class.
- Business mileage – charged at standard rates which comply with HM Revenue & Customs limits. The current rate is 45 pence per mile.
- Internal photocopying - charged at 5 pence per sheet for reports and circulars issued to creditors, shareholders, employees and other stakeholders. No additional charge is made for individual items of correspondence.

Please note that these category 2 expenses are reviewed annually and may be subject to change.

Payments to associates (as defined in Section 435 of the Insolvency Act 1986 and the Insolvency Code of Ethics), which are also classified as a category 2 expense requiring creditor approval, are not routinely made by this firm. Any such payments will be considered on a case by case basis and when seeking approval for the payments, the office holder will provide creditors with an explanation of the work to be done, why the work is necessary and the estimated payment that will be made. The form and nature of the relationship with the associate will also be provided.