

**TO THE COMPANY, ALL CREDITORS WHO ARE NOT OPTED OUT  
AND ALL OTHER PERSONS TO WHOM NOTICE OF THE  
ADMINISTRATORS' APPOINTMENT WAS DELIVERED**

3 August 2022

Ref: AW/DT/AR/IRAF/D21.3

Email: irafdragon@parthenon.ey.com

Dear Sirs

**IRAF UK Dragon Limited Partnership (“the Limited Partnership”) (formerly  
in Administration)**

I write to inform you that the Administration of the Limited Partnership has now come to an end. I enclose the following, for your information:

- a copy of the notice of the end of the Administration, as sealed by the court
- a copy of the final progress report

Should you have any questions about these documents or any other aspect of the Administration, please contact Aine Reavey by sending an email to irafdragon@parthenon.ey.com

Yours faithfully



Aine Reavey  
for A P Williams  
Former Joint Administrator

Enc: Copy of sealed notice of end of administration  
Final progress report

*A P Williams and A S Dolliver are licensed in the United Kingdom to act as insolvency practitioners by The Insolvency Practitioners Association.*

*The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Limited Partnership may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy)*

Rule 3.56

The Insolvency (England and Wales) Rules 2016



## Notice of end of administration

Name of company

IRAF UK Dragon Limited Partnership

Country of incorporation  
(if not in the UK)

Company number

LP016476

CR-2021-000178

received on 2  
August 2022 at  
11.04 hours

In the

High Court of Justice, Business and Property Courts of  
England and Wales in London, Insolvency and Companies  
List (ChD)

[full name of court]

Court case number

CR-2021-000178

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

I / We (a) A P Williams and A S Dolliver

Ernst & Young LLP, 1 More London Place, London, SE1 2AF and Ernst and Young LLP, Bedford  
House, 16-22 Bedford Street, Belfast, BT2 7DT

having been appointed administrators of

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

(b) IRAF UK Dragon Limited Partnership

Ernst & Young LLP, 1 More London Place, London, SE1 2AF ("the company")

(c) Insert date of  
appointment

on (c) 1 February 2021

by (d) Members of the Limited Partnership

(d) Insert name of  
appointor

hereby give notice that I / we think the purpose of administration has been sufficiently achieved in  
relation to the company

I / We attach to this notice a copy of the final progress report.

I / We have sent a copy of this notice to the Registrar of Companies.

A handwritten signature in cursive script, appearing to read 'A. Williams'.

Signed

Joint Administrator

Dated 1 August 2022

### Endorsement to be completed by the court

(e) Insert date and  
time

This form and the attached documents have  
been filed (e)

**Contact Details:**

Aine Reavey	
Ernst & Young LLP, Bedford House, 16-22 Bedford Street, Belfast, BT2 7DT	
	Tel: + 44 28 90 44 3540
DX Number: N/A	DX Number: N/A

TO ALL KNOWN CREDITORS

1 August 2022

Ref: AW/DT/AR/D21.1  
Direct line: 028 9044 3540

Email: irafdragon@parthenon.ey.com

Dear Sirs

**IRAF UK Dragon Limited Partnership (“the Limited Partnership”)  
IRAF UK Dragon Nominee 1 Limited and  
IRAF UK Dragon Nominee 2 Limited (together “the Companies”)  
(all in Administration) (all “the Entities”)**

**High Court of Justice, Business and Property Courts of England and Wales in London Insolvency and Companies List (ChD) (Numbers: CR-2021-000178, CR-2021-000176 and CR-2021-000177)**

I write to provide you with our final progress report of the Administrations, which includes details of the outcome. The report covers the period from 1 February 2022 to 1 August 2022 (“**the Period**”) and should be read in conjunction with the Joint Administrators’ Statement of Proposals dated 26 March 2021 (“**the Proposals**”) and our previous progress reports dated 30 August 2021 and 28 February 2022. Statutory information about the Entities, the Administrations and the office holders are given at Appendix 1.

This document has been made available for viewing and downloading at the following web address:  
[https://www.ey.com/en\\_uk/iraf-uk-dragon-administrations](https://www.ey.com/en_uk/iraf-uk-dragon-administrations)

You may at any time request a hard copy of all of the documents currently available for viewing on the website and/or future documents which may be made available. If you wish to receive a hard copy of the documents(s), please either telephone, email or write to me using the contact details at the top of this report and a hard copy will be sent to you.

A P Williams and A S Dolliver are UK licenced insolvency practitioners and consequently are bound by the Insolvency Code of Ethics when carrying out all professional work in relation to the Administrations.

**Summary of the Joint Administrators’ Proposals**

On 1 February 2021, the Entities entered Administration and A P Williams and A S Dolliver were appointed to act as Joint Administrators (“**the Administrators**”). The Proposals were issued to the Entities’ creditors on 26 March 2021.

The Proposals summarised the background of the Entities and the circumstances giving rise to the appointment of the Joint Administrators.

As detailed in the Proposals, the Administrators were of the opinion that the Entities had insufficient

property to enable a distribution to be made to the unsecured creditors of any of the Entities other than by virtue of the Prescribed Part. In accordance with the provisions of paragraph 52(1)(b) of Schedule B1 to the Insolvency Act 1986 (**"the Act"**), we were not required to seek a decision of the creditors on the approval of the Proposals.

As no request for a decision procedure was received from creditors, on 12 April 2021 the Proposals were deemed to be approved.

## **Summary of steps taken during the Administrations**

### ***Asset Realisations***

#### **Property**

The Entities owned St George's Shopping Centre in Preston (**"the Property"**).

As previously reported, following their appointment the Administrators continued to trade the Property in the Administrations, whilst a sale of the Property was pursued. The Administrators retained Sovereign Centros to act as asset managers, and Munroe K to act as managing agents, to assist with the continued operation of the shopping centre whilst this strategy was pursued.

As detailed in our previous progress reports, a sale of the Property was concluded on 27 August 2021 to AG Retail Num (1) Limited (**"the Purchaser"**) for consideration of £21.5m.

During the Period, the Administrators continued to liaise with the Purchaser and its advisors to finalise apportionment calculations in relation to service charge monies held at the date of completion. At the time of writing the Administrators consider an amount of c.£44k is due from the Purchaser under the terms of the sale and purchase agreement, however, these monies have not yet been received.

Given the only beneficiary of these monies will be the funder of the Administrations, Wells Fargo Bank N.A, London Branch (**"the Funder"**), during the Period the Administrators assigned the Entities' interest in these monies to the Funder.

There will now be no further realisations in relation to the Property.

#### **Collections from Tenants**

Sovereign Centros and Munroe K managed the collection of rental income from the Property's tenants prior to completion of the sale to the Purchaser, under the overall supervision of the Joint Administrators and their staff.

#### ***Monies held by agents at the date of Appointment***

Approximately £376k of monies collected from tenants and held by Munroe K at the Date of Appointment was transferred to the Limited Partnership during prior reporting periods.

No further balances in this regard are held by the agents and therefore no further amounts have been realised during the Period.

#### *Tenant collections during the Administrations*

Approximately £1.4m had been collected by Munroe K and transferred to the Limited Partnership during prior reporting periods.

A c.£5k VAT provision was released in the Period following final reconciliations and obtaining confirmation on recoverability.

No further recoveries are anticipated following the sale of the Property from this source.

#### **Car park income**

Approximately c.£159k of car park income was collected by Munroe K and transferred to the Limited Partnership during prior reporting periods.

As previously anticipated, no further amounts were received during the Period following the sale of the Property.

#### **Cash on Appointment**

Balances totalling approximately c.£12k held in the Entities' bank accounts at the date of Appointment were transferred into the Limited Partnership's Administration bank accounts during prior reporting periods.

No further amounts have been received in respect to the pre-Appointment bank accounts following formal closure of these accounts in September 2021.

#### **Other realisations**

##### ***Landlord service charge recoveries***

Net recoveries from landlord service charges during prior reporting periods totalled approximately c.£14k.

During the Period a further c.£67k was received from Munroe K in respect of refunds received for rates and insurance following the sale of the Property and following final service charge reconciliations.

No further realisations are anticipated.

##### ***Bank interest***

During the Period, bank interest of c.£22 was received into the Limited Partnership's fixed charge bank account, bringing total receipts in relation to fixed charge interest to c.£126.

Similarly, during the Period bank interest of c.£28 was received into the Limited Partnership's floating charge bank account, bringing total receipts in relation to floating charge interest to c.£134.

### ***Other assets***

Following their appointment, the Joint Administrators undertook an analysis of other assets noted on the Limited Partnership's balance sheet, principally relating to minor dilapidation claims, tenant recharges, debit balances on creditor ledgers.

An amount of c.£4k was realised in relation to these assets during prior reporting periods.

A further amount of c.£8k was received by the Limited Partnership during the Period in relation to a refund of insurance premiums.

No further realisations are anticipated from this source.

### ***Other Matters***

#### ***VAT***

As previously noted, one of the principal reasons for seeking an extension to the Administrations was to conclude the VAT affairs of the Entities.

During the Period the Joint Administrators obtained confirmation from HM Revenue & Customs ("HMRC") that the VAT registration of the IRAF Limited Partnership Group, comprising the Limited Partnership and the Companies ("the IRAF VAT Group") had been cancelled.

Final VAT returns have been submitted during the Period outlining a net receivable balance of c.£141k.

Given the only beneficiary of these monies will be the Funder, this outstanding VAT receivable balance has been assigned to the Funder and HMRC has been instructed to remit these funds directly to them.

### ***Corporation Tax***

During the Period, Corporation Tax returns relating to the period from 1 January 2022 to 31 May 2022 for the Companies were submitted to HMRC, which noted a £nil liability. Corporation tax clearance was subsequently obtained from HMRC following this submission, and HMRC confirmed on 27 May 2022 that it has no objection to the closure of Administrations of the Companies.

As reported in a previous progress report, the obligation to file Corporation Tax returns for the Limited Partnership rests with the partners, not the Limited Partnership or its Administrators. The Administrators notified HMRC on 29 July 2022 of the closure of the Limited Partnership Administration.

### ***Extension of Administrations***

As previously reported, in accordance with the insolvency regulations the Administrations of the Entities were extended further by the approval of the Secured Creditor for a period of 12 months to 31 January 2023.

All outstanding matters have now been resolved and it is now proposed to cease to act as Administrators of the Entities.

## **Distributions to creditors**

### **Secured Creditor**

As previously reported, at date of Appointment the Entities owed c.£40.3m to Wells Fargo Bank N.A, London Branch (the “**Secured Creditor**”). The Secured Creditor is the Entities’ only known secured creditor and holds fixed and floating charge security over the Entities’ assets.

During prior reporting period c.£23m was distributed to the Secured Creditor under its fixed charge. No further distributions were made to the Secured Creditor during the Period.

#### *Post appointment funding facility*

As previously advised, a post appointment funding facility of £1.7m was agreed by the Administrators and the Funder. The funding was provided to ensure that all Administration expenses could be paid in full and to mitigate the potential for disruption to the ongoing operation of the Property. The full £1.7m facility was drawn down into Administration bank accounts shortly following Appointment.

During prior reporting periods an amount of £300k had been repaid against this facility.

During the Period a further repayment of c.£355k was made to the Funder.

No further distributions or facility repayments will be made to the Funder from the Entities. However, as detailed above the outstanding IRAF VAT Group VAT receivable balance of c.£141k and the service charge recoveries due from the Purchaser of c.£44k have both been assigned to the Funder.

### **Preferential Creditors**

#### *The Limited Partnership*

As reported in our previous progress reports, the Limited Partnership has no known preferential creditors and therefore no distribution has been made.

#### *The Companies*

The Administrators are not aware of any preferential creditors in either of the Companies and as such no distribution has been made.

### **Unsecured Creditors**

#### *The Limited Partnership*

As previously reported, the Director’s Statement of Affairs estimated unsecured non-preferential claims owed by the Limited Partnership totalled c.£48.0m, of which c.£47.6m was understood to be attributable to shareholder loans.

As noted in previous reports, there were not sufficient realisations to enable a distribution to be made to unsecured creditors of the Limited Partnership, including by virtue of the Prescribed Part.



### *The Companies*

As previously reported, the Directors Statement of Affairs indicated that there were no unsecured creditors in either of the Companies. In line with our previous report, there was insufficient realisations to enable a distribution to be made to any unsecured creditors of the Companies, including by virtue of the Prescribed Part.

### **Notice of no dividend**

In accordance with Rule 14.37(2) of the Insolvency (England and Wales) Rules 2016 (**"the Rules"**), I give notice that we are unable to declare any dividend to preferential or non-preferential creditors because the funds realised have already been distributed or used or allocated for paying the expenses of the Administrations.

### **Receipts and payments account**

A receipts and payments account covering the Period (1 February 2022 to 1 August 2022) for each of the Entities, and cumulatively for the Administrations is attached at Appendix 2. The receipts and payment accounts do not reflect estimated future realisations or costs given there will be none.

In line with our previous reports, all receipts and payments have been allocated to the Limited Partnership, mirroring the approach taken by the Entities prior to the Appointment of Administrators and reflecting the fact that the Limited Partnership is the beneficial owner of the Property.

### **Investigations**

As previously reported, we undertook an investigation into the Entities' affairs pursuant to Statement of Insolvency Practice Number 2 (Investigations by Office Holders) and the Company Directors Disqualification Act 1986, with the necessary confidential returns made to the Insolvency Service prior to the Period. No further investigations were required, and no third-party funding was provided in relation to our work.

### **Joint Administrators' remuneration**

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016. 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 Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to me.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

A statement was made in the Proposals under the provision of paragraph 52(1) of Schedule B1 to the Act to the effect that there will be no funds available for the non-preferential creditors of the Entities other than by virtue of the Prescribed Part. No creditors' committees were formed.

As stated in my last report, approval from the Secured Creditor was obtained on 15 September 2021 for the Administrators' remuneration to be fixed on the basis of time properly given by them and their staff dealing with matters arising in the Administrations.

During the Period covered by this report, c.£202k has been incurred, taking total costs incurred to c.£1.1m.

An analysis of the time spent in accordance with Statement of Insolvency Practice 9 ("SIP9"), and a comparison with the fee estimate dated 26 March 2021 ("**the Fee Estimate**"), is attached at Appendix 4. In support of the SIP9 analysis is a description of work carried out during the Period.

Total remuneration of c.£366k plus VAT has been drawn to date in respect to the Administrators remuneration for the Administrations. Whilst actual time incurred is in excess of the levels set out in the Fee Estimate, the overall level of remuneration drawn by the Administrators is significantly below the collective amount of £615,872.50 set out in the Fee Estimates.

A summary of the categories of work where actual time costs have exceeded the Fee Estimate, including an explanation, is provided below:

Category of work	Entity	Explanation
Accounting and Administration	LP, N1, N2	Extension of the Administrations beyond 12 months resulting in further accounting and administration requirements.
Bank & statutory reporting	LP	Additional reporting to the Secured Creditor than initially anticipated reflecting in part, the extension of the Administrations.
Creditors	N1, N2	Additional time spent dealing with creditor enquiries than initially forecast.
Immediate tasks	LP, N1, N2	Additional time in relation to tasks immediately following the Joint Administrators' appointment.
Job acceptance & strategy	LP	Additional strategy considerations seeking to maximise recoveries.
Other assets	LP, N1, N2	Additional time required pursuing other assets of the Entities, including a detailed review of the Entities' balance sheets and additional time in relation to escrow cash and cash on appointment.
Other matters	LP, N1, N2	Additional time spent on ad hoc matters relating to the Administration of the Entities over and above that initially forecast.
Property	N1, N2	Additional time spent relating to the sale of the Property.
Statutory duties	LP, N1, N2	Additional time spent undertaking the Administrators'

		statutory duties reflecting the extension of the Administrations.
Trading	LP, N1, N2	Additional time spent in relation to trading activities of the Entities over a longer period of time.
VAT & taxation	LP	Time spent in relation to the registration and subsequent submission of the Entities' VAT returns and Companies CT returns which was not anticipated and obtaining de-registration and formal assignment of outstanding VAT.

### Joint Administrators' statement of expenses incurred

During the Period, the Administrators have incurred expenses totalling c.£2.5k. There is a breakdown of expenses incurred in the Period and to date at Appendix 3 to this report.

As anticipated, total expenses during the period of the Administrations have not exceeded the levels as set out in the Fee Estimate.

### Pre-Administration costs

The Administrators' proposals dated 26 March 2021 included a statement of pre-Administration costs, which included c.£61k plus VAT which was outstanding at the date on which the Entities entered Administrations. On 15 September 2021 payment of the unpaid costs was approved by the Secured Creditor and payment was subsequently arranged in the prior period. No preferential creditors existed therefore no approval was required from this class of creditor.

Further information on the pre-Administration costs can be found in the Joint Administrators Proposals which can be accessed at [https://www.ey.com/en\\_uk/iraf-uk-dragon-administrations](https://www.ey.com/en_uk/iraf-uk-dragon-administrations) or upon request from this office.

### The outcome of the Administrations

The purpose of an Administration is to achieve one of three objectives:

- To rescue the company as a going concern;
- To achieve a better result for the Entities creditors as a whole than would be likely if the Entities were wound up (without first being in Administration); or
- To realise property in order to make a distribution to one or more secured or preferential creditors.

Insolvency legislation provides that objective (a) should be pursued unless it is not reasonably practicable to do so if objective (b) would achieve a better result for the Entities creditors as a whole. Objective (c) may only be pursued if it is not reasonably practicable to achieve either objective (a) or (b) and can be pursued without unnecessarily harming the interests of the creditors of the Entities as a whole.

As reported in the Proposals, objective (a) was not considered achievable given the prior losses incurred by the Entities and their overall negative net asset position, it was not deemed possible to rescue the Entities as a going concern.

As a result, objective (b) was pursued for the Entities.

The Property has now been realised, and all other material realisable assets of the Entities have either been realised, or if more appropriate assigned to the Funder. Furthermore, all Administration expenses have been discharged and distributions made where possible.

Accordingly, the Administrators are of the opinion that the objective to achieve a better result for the Entities' creditors as a whole than would be likely if the Entities were wound up (without first being in Administration) has been achieved.

In accordance with the terms of the Proposals, as there are no further assets to be realised or distributions to be made to creditors, the Administrators will send notice to that effect to the Registrar of Companies. On registration of the notice, the Administrators' appointment will come to an end. In accordance with the provisions of paragraph 85(6) of Schedule B1 to the Insolvency Act 1986, the Entities will be dissolved three months after the registration of the notice.

Should you have any remaining questions about the Administrations, please do not hesitate to contact Aine Reavey by email to [irafrdragon@parthenon.ey.com](mailto:irafrdragon@parthenon.ey.com)

Yours faithfully  
for the Entities (in Administration)



A P Williams  
Joint Administrator

Enc:

- Appendix 1 – Information about the proceedings, the Entities, and the office holders.
- Appendix 2 – Joint Administrators' Receipts and Payments accounts for the Period (1 February 2022 to 1 August 2022) and on a cumulative basis.
- Appendix 3 – Summary of Joint Administrators' expenses incurred.
- Appendix 4 – Joint Administrators' time costs for the Period (1 February 2022 to 1 August 2022) and a comparison of total time to 1 August 2022 with the fee estimate dated 26 March 2021.

A P Williams and A S Dolliver are licensed in the United Kingdom to act as insolvency practitioners by The Insolvency Practitioners Association.

As licensed insolvency practitioners, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administrations.

The affairs, business and property of the Entities are being managed by the Joint Administrators, A P Williams and A S Dolliver, who act as agents of the Entities only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Entities may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' Appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).

**Appendix 1****Information about the proceedings, the Entities and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016****IRAF UK Dragon Limited Partnership (in Administration)**

Name of court:	In The High Court of Justice, Business and Property Courts of England and Wales In London, Insolvency and Companies List (ChD)
Court reference:	CR-2021-000178
Registered name of the company:	IRAF UK Dragon Limited Partnership
Registered office address of the company:	Ernst & Young LLP 1 More London Place, London, United Kingdom, SE1 2AF
Registered number:	LP016476
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the joint administrators:	1 February 2021
Details of any changes of administrator:	None
Full names of the administrators:	A P Williams and A S Dolliver
Office holder number(s):	22270 and 15230
Administrators' address(es):	Ernst & Young LLP, 1 More London Place, London, United Kingdom SE1 2AF and Ernst & Young LLP, Bedford House, 16-22 Bedford Street, Belfast, BT2 7DT
Telephone number:	020 7951 2000
Name of alternative person to contact with enquiries about the case:	Aine Reavey

**Information about the proceedings, the Entities and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016**

**IRAF UK Dragon Nominee 1 Limited (in Administration)**

Name of court:	In The High Court of Justice, Business and Property Courts of England and Wales In London, Insolvency and Companies List (ChD)
Court reference:	CR-2021-000176
Registered name of the company:	IRAF UK Dragon Nominee 1 Limited
Registered office address of the company:	Ernst & Young LLP 1 More London Place, London, United Kingdom, SE1 2AF
Registered number:	09408691
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the joint administrators:	1 February 2021
Details of any changes of administrator:	None
Full names of the administrators:	A P Williams and A S Dolliver
Office holder number(s):	22270 and 15230
Administrators' address(es):	Ernst & Young LLP, 1 More London Place, London, United Kingdom SE1 2AF and Ernst & Young LLP, Bedford House, 16-22 Bedford Street, Belfast, BT2 7DT
Telephone number:	020 7951 2000
Name of alternative person to contact with enquiries about the case:	Aine Reavey

**Information about the proceedings, the Entities and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016**

**IRAF UK Dragon Nominee 2 Limited (in Administration)**

Name of court:	In The High Court of Justice, Business and Property Courts of England and Wales In London, Insolvency and Companies List (ChD)
Court reference:	CR-2021-000177
Registered name of the company:	IRAF UK Dragon Nominee 2 Limited
Registered office address of the company:	Ernst & Young LLP 1 More London Place, London, United Kingdom, SE1 2AF
Registered number:	09408934
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Date of appointment of the joint administrators:	1 February 2021
Details of any changes of administrator:	None
Full names of the administrators:	A P Williams and A S Dolliver
Office holder number(s):	22270 and 15230
Administrators' address(es):	Ernst & Young LLP, 1 More London Place, London, United Kingdom SE1 2AF and Ernst & Young LLP, Bedford House, 16-22 Bedford Street, Belfast, BT2 7DT
Telephone number:	020 7951 2000
Name of alternative person to contact with enquiries about the case:	Aine Reavey

## Appendix 2

## IRAF UK Dragon Limited Partnership (in Administration)

## Joint Administrators' Receipts and Payments accounts for the Period (1 February 2022 to 1 August 2022) and on a cumulative basis

Statement of Affairs estimated to realise	Note	Period from 1 February 2021 to 31 January 2022	Period from 1 February 2022 to 1 August 2022	Cumulative total from 1 February 2021 to 1 August 2022
(£)	1, 2	(£)	(£)	(£)
<b>Fixed charge receipts</b>				
24,500,000	Property	21,500,000.00	-	21,500,000.00
5,655,309	Cash at date of appointment	0.72	-	0.72
	Monies held by Munroe K at date of appointment	376,191.91	-	376,191.91
55,152	Rental income received from Munroe K	1,412,218.50	-	1,412,218.50
3	VAT recovery on provision	-	4,586.58	4,586.58
	Car park income received from Munroe K	158,711.69	-	158,711.69
	Fixed charge bank interest	103.63	22.21	125.84
		<b>23,447,226.45</b>	<b>4,608.79</b>	<b>23,451,835.24</b>
<b>Fixed charge payments</b>				
	Legal fees	(217,544.58)	-	(217,544.58)
	Sale agent fee	(150,000.00)	-	(150,000.00)
4	Administrator Fees	-	(46,540.42)	(46,540.42)
	Bank charges	(10.60)	(8.30)	(18.90)
		<b>(367,555.18)</b>	<b>(46,548.72)</b>	<b>(414,103.90)</b>
<b>Distributions to creditors</b>				
	Secured creditor	(23,033,127.85)	-	(23,033,127.85)
		<b>(23,033,127.85)</b>	<b>-</b>	<b>(23,033,127.85)</b>
<b>Floating charge receipts</b>				
	Funding Agreement	1,400,000.00	(354,697.80)	1,045,302.20
7	In specie <sup>1</sup> - Funding Agreement	-	(140,720.94)	(140,720.94)
31,617	Cash at date of appointment	11,594.88	-	11,594.88
5	Landlord service charge	13,566.18	67,386.92	80,953.10
47,383	Other Debtors / Other floating charge assets	4,104.00	8,131.85	12,235.85
	Floating charge bank interest	106.69	27.73	134.42
		<b>1,429,371.75</b>	<b>(419,872.24)</b>	<b>1,009,499.51</b>
<b>Floating charge payments</b>				
	Pre-Administration costs - legal fees	(49,260.04)	-	(49,260.04)
	Legal fees	(62,728.81)	(2,492.64)	(65,221.45)
	Consultant & other property costs	(202,614.44)	-	(202,614.44)
	Asset management agent fees	(273,333.32)	-	(273,333.32)
	Property management agent exit fee	(27,500.00)	-	(27,500.00)
4	Administrator Fees	-	(319,100.58)	(319,100.58)
	Insurance	(74,208.22)	-	(74,208.22)
	Bank charges	(2,548.50)	(18.10)	(2,566.60)
	Public notices	(298.35)	-	(298.35)
		<b>(692,491.68)</b>	<b>(321,611.32)</b>	<b>(1,014,103.00)</b>
<b>Distributions to creditors</b>				
	Secured creditor	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>
<b>Balances in hand</b>				
		<b>783,423.49</b>	<b>(783,423.49)</b>	<b>-</b>
<b>Represented by:</b>				
				-
				-

**Notes**

1 This receipts and payments account is shown net of VAT.

2 This receipts and payments account has been prepared on a cash basis and does not reflect future estimated receipts and payments, as there are none.

3 Previous VAT provision not required and therefore recovery of funds in the Period.

4 Represents payment to the Administrators for all Administration duties for the full Administration period 1.02.21 - 01.08.22.

5 Represents a receipt of funds from Munroe K in respect to a rates and insurance refund for prior periods.

6 In the Period a further c.£8k recovery was made in respect to a refund of insurance premiums.

7 In specie balance relates to VAT receivable amounts assigned to the Funder during the Period, as detailed in the final progress report on pg. 4.

The Administrators have the consent of the Secured Creditor to pay costs of all Entities from the proceeds of the Administration funding agreement. As a consequence, certain costs outlined in the above R&P relate to costs of the Companies which the Limited Partnership has paid on their behalf.



ADM12A05

## IRAF UK Dragon Nominee 2 Limited (in Administration)

### Joint Administrators' Receipts and Payments accounts for the Period (1 February 2022 to 1 August 2022) and on a cumulative basis

Statement of Affairs estimated to realise (£)	Note 1,2	Period from 1 February 2021 to 31 January 2022 (£)	Period from 1 February 2022 to 1 August 2022 (£)	Cumulative total from 1 February 2021 to 1 August 2022 (£)
	<b>Fixed charge receipts</b>			
	<i>None</i>	-	-	-
		-	-	-
	<b>Fixed charge payments</b>			
	<i>None</i>	-	-	-
		-	-	-
	<b>Distributions to creditors</b>			
	<i>None</i>	-	-	-
		-	-	-
1	<b>Floating charge receipts</b>			
	<i>None</i>	-	-	-
		-	-	-
	<b>Floating charge payments</b>			
	<i>None</i>	-	-	-
		-	-	-
	<b>Distributions to creditors</b>			
	<i>None</i>	-	-	-
		-	-	-
	<b>Balances in hand</b>	-	-	-
		-	-	-
	<b>Represented by:</b>			
		-	-	-
		-	-	-

**Notes**

1 This receipts and payments account is shown net of VAT.

2 This receipts and payments account has been prepared on a cash basis and does not reflect future estimated receipts and payments.

## Appendix 3

## IRAF UK Dragon Limited Partnership (in Administration)

## Summary of Joint Administrators' expenses incurred

£	Per Fee	Paid 1 February 2021	Paid in Period	Estimated	
Type of expense	Estimate	to 31 January 2022	1 February 2022 to 1 August 2022	outstanding	Total
<b>Payments which are not disbursements</b>					
Other Trading Costs	1,937,038	570,159	-	-	570,159
Agents fees	500,000	310,208	-	-	310,208
Legal fees	66,667	62,729	2,493	-	65,222
Insurance	41,667	74,208	-	-	74,208
Storage	500	-	-	-	-
Bank Charges	500	2,559	26	-	2,585
Statutory Costs	100	298	-	-	298
Corporation Tax	-	-	-	-	-
	<b>2,546,472</b>	<b>1,020,161</b>	<b>2,519</b>	<b>-</b>	<b>1,022,680</b>
<b>Category 1 disbursements</b>					
Specific penalty bond	320	-	320	-	320
Postage & printing	100	11	-	-	11
	<b>420</b>	<b>11</b>	<b>320</b>	<b>-</b>	<b>331</b>
<b>Category 2 disbursements</b>					
Mileage	500	131	-	-	131
	<b>500</b>	<b>131</b>	<b>-</b>	<b>-</b>	<b>131</b>
<b>Total</b>	<b>2,547,392</b>	<b>1,020,303</b>	<b>2,839</b>	<b>-</b>	<b>1,023,142</b>

*\*Please note pre-Administration legal costs of c.£49k were paid in the prior periods and have been omitted from the summary of expenses noted above. These have been included in the Receipts and Payments account provided at Appendix 2.*

*\*\*Certain expense lines included in the summary of expenses above have been represented by multiple entries in the Receipts & Payments account provided at Appendix 2*

**Expenses exceeding original estimate:**

- Insurance costs were previously split between the three Entities, however given the funding agreement proceeds were received into the LP bank account, all such costs have been paid directly by the LP entity. All insurance costs have therefore been recorded in the LP entity.
- Bank Charges – attributable to Citibank charges in relation to the operation of the escrow account.
- Statutory costs – costs slightly higher than initial estimates.

**Notes**

- 1 Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- 2 Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
  - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder
  - Category 2 expenses are payments to associates or which have an element of shared costs.
- 3 Expenses also include disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Disbursements fall into either Category 1 or Category 2. The disbursements outlined above have not been expensed to the Administration.

## IRAF UK Dragon Nominee 1 Limited (in Administration)

### Summary of Joint Administrators' expenses incurred

£			Paid in Period			
Type of expense	Per Fee Estimate	Paid 1 February 2021 to 31 January 2022	1 February 2022 to 1 August 2022	Estimated outstanding	Total	
Payments which are not disbursements						
Other Trading Costs	-	-	-	-	-	-
Agents fees	50,000	-	-	-	-	-
Legal fees	66,667	-	-	-	-	-
Insurance	41,667	-	-	-	-	-
Storage	500	-	-	-	-	-
Bank Charges	500	-	-	-	-	-
Statutory Costs	100	-	-	-	-	-
	159,434	-	-	-	-	-
Category 1 disbursements						
Specific penalty bond	20	-	20	-	-	20
Postage & printing	100	8	-	-	-	8
	120	8	20	-	-	28
Category 2 disbursements						
Mileage	500	9	-	-	-	9
	500	9		-	-	9
Total	160,054	17	20	-	-	37

#### Notes

- 1 Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- 2 Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
  - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder
  - Category 2 expenses are payments to associates or which have an element of shared costs.
- 3 Expenses also include disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Disbursements fall into either Category 1 or Category 2. The disbursements outlined above have not been expensed to the Administration.
- 4 As stated in the Receipts and Payments account, amounts in relation to the insurance and statutory costs have been paid from funds made available to the Limited Partnership under the funding agreement with the Funder.

## IRAF UK Dragon Nominee 2 Limited (in Administration)

### Summary of Joint Administrators' expenses incurred

£	Per Fee	Paid 1 February 2021	Paid in Period	Estimated	
Type of expense	Estimate	to 31 January 2022	1 February 2022 to 1 August 2022	outstanding	Total
Payments which are not disbursements					
Other Trading Costs	-	-	-	-	-
Agents fees	50,000	-	-	-	-
Legal fees	66,667	-	-	-	-
Insurance	41,667	-	-	-	-
Storage	500	-	-	-	-
Bank Charges	500	-	-	-	-
Statutory Costs	100	-	-	-	-
	159,434	-	-	-	-
Category 1 disbursements					
Specific penalty bond	20	-	20	-	20
Postage & printing	100	-	-	-	-
	120	-	20	-	20
Category 2 disbursements					
Mileage	500	-	-	-	-
	500	-	-	-	-
Total	160,054	-	20	-	20

#### Notes

- 1 Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- 2 Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
  - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder
  - Category 2 expenses are payments to associates or which have an element of shared costs.
- 3 Expenses also include disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Disbursements fall into either Category 1 or Category 2. The disbursements outlined above have not been expensed to the Administration.
- 4 As stated in the Receipts and Payments account, amounts in relation to the insurance and statutory costs have been paid from funds made available to the Limited Partnership under the funding agreement with the Funder.

## Appendix 4

## IRAF UK Dragon Limited Partnership (in Administration)

Joint Administrators' time costs for the Period (1 February 2022 to 1 August 2022) and a comparison of total time to 1 August 2022 with the fee estimate dated 26 March 2021

	Per Fee Estimate			Actual in this report period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)
Accounting & Administration	52.5	16,391.6	312	81.6	34,089.0	418	184.9	79,329.5	429
Bank & Statutory Reporting	61.7	30,655.9	497	161.7	59,981.3	371	227.6	92,853.2	408
Creditors	70.4	22,712.9	323	-	-	-	13.3	5,544.7	417
Debtors	35.0	12,504.9	357	2.0	444.0	222	6.0	1,332.0	222
Immediate Tasks	12.7	4,963.7	392	-	-	-	54.4	33,182.8	610
Job Acceptance & Strategy	18.3	11,359.2	620	2.0	444.0	222	19.7	13,647.4	693
Other Assets	35.0	13,733.8	392	-	-	-	25.5	20,475.0	803
Other Matters	16.7	5,993.0	360	2.0	2,390.0	1,195	14.5	9,340.0	644
Statutory Duties	43.3	17,289.9	399	34.5	16,377.0	475	94.4	48,880.6	518
Trading	245.0	111,033.9	453	2.0	1,542.0	771	385.5	188,571.0	489
VAT & Taxation	88.9	36,469.8	410	31.0	14,261.5	460	259.2	133,571.1	515
Investigations	23.3	8,113.8	348	-	-	-	11.7	4,782.9	409
Legal Issues	20.0	10,773.3	539	-	-	-	-	-	-
Public Relations issues	10.0	4,476.6	448	-	-	-	-	-	-
<b>Total</b>	<b>732.8</b>	<b>306,472.3</b>	<b>418</b>	<b>316.8</b>	<b>129,528.8</b>	<b>409</b>	<b>1,296.7</b>	<b>631,510.2</b>	<b>487</b>

## IRAF UK Dragon Nominee 1 Limited (in Administration)

**Joint Administrators' time costs for the Period (1 February 2022 to 1 August 2022) and a comparison of total time to 1 August 2022 with the fee estimate dated 26 March 2021**

	Per Fee Estimate			Actual in this report period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)
Accounting & Administration	11.3	3,512.5	312	42.8	23,326.0	545	96.4	47,947.0	497
Bank & Statutory Reporting	61.7	30,655.9	497	16.5	9,121.5	553	79.0	37,061.3	469
Creditors	8.8	2,839.1	323	0.6	327.0	545	17.0	6,820.4	401
Immediate Tasks	12.7	4,963.7	392	-	-	-	42.2	21,185.6	502
Job Acceptance & Strategy	18.3	11,359.2	620	-	-	-	18.2	11,241.0	618
Legal Issues	20.0	10,773.3	539	-	-	-	3.0	3,960.0	1,320
Other Assets	-	-	-	-	-	-	2.5	1,445.0	578
Other Matters	16.7	5,993.0	360	-	-	-	9.3	8,640.0	929
Property	112.5	46,908.1	417	-	-	-	115.6	61,198.2	529
Statutory Duties	43.3	17,289.9	399	4.0	2,180.0	545	70.4	40,656.1	578
Trading	-	-	-	-	-	-	7.8	1,731.6	222
VAT & Taxation	19.1	7,815.0	410	1.7	1,350.5	794	17.8	5,818.1	327
Investigations	23.3	8,113.8	348	-	-	-	9.7	2,757.9	284
Public Relations issues	10.0	4,476.6	448	-	-	-	-	-	-
<b>Total</b>	<b>357.7</b>	<b>154,700.1</b>	<b>432</b>	<b>65.6</b>	<b>36,305.0</b>	<b>553</b>	<b>488.9</b>	<b>250,462.2</b>	<b>512</b>



## IRAF UK Dragon Nominee 2 Limited (in Administration)

### Joint Administrators' time costs for the Period (1 February 2022 to 1 August 2022) and a comparison of total time to 1 August 2022 with the fee estimate dated 26 March 2021

	Per Fee Estimate			Actual in this report period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)
Accounting & Administration	11.3	3,512.5	312	41.8	22,781.0	545	95.0	47,276.0	498
Bank & Statutory Reporting	61.7	30,655.9	497	18.3	10,102.5	552	79.4	36,530.8	460
Creditors	8.8	2,839.1	323	0.6	327.0	545	15.9	5,988.4	377
Immediate Tasks	12.7	4,963.7	392	-	-	-	44.2	21,874.1	495
Job Acceptance & Strategy	18.3	11,359.2	620	-	-	-	12.6	7,393.0	587
Legal Issues	20.0	10,773.3	539	-	-	-	3.0	3,960.0	1,320
Other Assets	-	-	-	-	-	-	2.5	1,445.0	578
Other Matters	16.7	5,993.0	360	-	-	-	9.9	8,722.0	881
Property	112.5	46,908.1	417	-	-	-	127.4	66,595.6	523
Statutory Duties	43.3	17,289.9	399	3.0	1,635.0	545	79.5	50,227.1	632
Trading	-	-	-	-	-	-	7.8	1,731.6	222
VAT & Taxation	19.1	7,815.0	410	1.7	1,350.5	794	17.4	5,636.1	324
Investigations	23.3	8,113.8	348	-	-	-	9.7	2,757.9	284
Public Relations issues	10.0	4,476.6	448	-	-	-	-	-	-
<b>Total</b>	<b>357.7</b>	<b>154,700.1</b>	<b>432</b>	<b>65.4</b>	<b>36,196.0</b>	<b>553</b>	<b>504.3</b>	<b>260,137.6</b>	<b>516</b>

## Statement of work completed in Period

Outlined in the table below is supporting narrative as to the work undertaken in the Period. This information is detailed on a category-by-category basis, aligned to the reporting categories in the time costs analysis set out in the preceding pages. Information relating to the work undertaken during the previous reporting period can be found in the Joint Administrators' previous progress reports which can be accessed at [https://www.ey.com/en\\_uk/iraf-uk-dragon-administrations](https://www.ey.com/en_uk/iraf-uk-dragon-administrations) or upon request to this office.

Details of work undertaken are presented on a level covering all Entities unless otherwise stated. This supporting information should be read in conjunction with all sections of this report.

Category of work	Description of work completed in the Period
Accounting & Administration	<ul style="list-style-type: none"> <li>▶ Ongoing management of the cases, treasury and accounting functions, statutory compliance diaries, time cost reporting and regular bank reconciliations.</li> <li>▶ This is a statutory requirement.</li> </ul>
Bank and Statutory Reporting	<ul style="list-style-type: none"> <li>▶ Regular reporting to the Entities' Secured Creditor.</li> <li>▶ Preparing the final progress reports, preparing Receipts and Payments accounts and final progress report.</li> <li>▶ This is a statutory requirement.</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>▶ Correspondence with creditors.</li> <li>▶ This is a statutory requirement.</li> </ul>
Debtors	<ul style="list-style-type: none"> <li>▶ Correspondence / engagement with the Administrators' agents and legal advisors in relation to debts owed by tenants</li> <li>▶ Work undertaken to collect other sundry debtors on the Entities' balance sheets.</li> </ul>
Other Matters	<ul style="list-style-type: none"> <li>▶ Other matters arising in the Administrations, which are not covered under other headings.</li> <li>▶ Work undertaken in this category will primarily comprise statutory requirements.</li> </ul>
Property	<ul style="list-style-type: none"> <li>▶ Dealing with ongoing day to day matters that arise in respect to the Property, including discussions with third party agents and legal advisors.</li> </ul>
Statutory Duties	<ul style="list-style-type: none"> <li>▶ Completion of statutory requirements of the Administration and sending to creditors and filing at Companies House.</li> <li>▶ These are statutory requirements.</li> </ul>
Trading	<ul style="list-style-type: none"> <li>▶ Dealing with final concluding matters in respect to the shopping centre, including discussions with agents (incl. reviewing and approving final service charge and rent reconciliations), following sale of the Property.</li> <li>▶ This work is an essential part of the Administrators' strategy to ensure the efficient ongoing operation of the centre in Administration pending the sale process being concluded to realise value in the centre.</li> </ul>
VAT & Taxation	<ul style="list-style-type: none"> <li>▶ Preparing annual corporation tax and quarterly VAT returns, with input from EY VAT and tax specialists.</li> <li>▶ Assessment of the VAT and tax treatment of</li> </ul>

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transactions and agreements entered into during the Administrations.

- ▶ Correspondence with HMRC ahead of ceasing to act.
  - ▶ This is a statutory requirement.
-