

Lehman Brothers (PTG) Limited

(in administration)

**Joint Administrators' progress report for the
period 6 May 2023 to 5 November 2023**

**High Court of Justice, Chancery Division,
Companies Court**
Case no. 9851 of 2008

4 December 2023

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report.

Abbreviation or definition	Meaning
Company / PTG	Lehman Brothers (PTG) Limited
Administrators	GE Bruce, DJ Kelly and EJ Macnamara, of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT
Court	The High Court of Justice, the Business and Property Courts of England and Wales
Firm	PricewaterhouseCoopers LLP
HMRC	HM Revenue and Customs
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
Reporting Period	The period from 6 May 2023 to 5 November 2023
SIP9	Statement of Insolvency Practice No. 9

This report has been prepared by GE Bruce, DJ Kelly and EJ Macnamara as Administrators of the Company, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company. Any estimated outcomes for creditors included in this report are illustrative only and based on a range of assumptions and estimates. It cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Administrators' previous reports issued to the Company's creditors, which can be found at: <https://www.pwc.co.uk/services/businessrecovery/administrations/non-lbiecompanies/lbptg-limited-in-administration.html>. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

GE Bruce, DJ Kelly and EJ Macnamara have been appointed as Administrators of the Company to manage its affairs, business and property as its agents and act without personal liability. All are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Administrators are bound by the Insolvency Code of Ethics which can be found at: [Insolvency practitioner code of ethics](#)

The Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Administrators. Personal data will be kept secure and processed only for matters relating to the Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Administrators.

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Section 1: Purpose of the Administrators' Progress Report

Introduction

This is the 30th progress report prepared by the Administrators of the Company, in accordance with Rule 18.3 of IR16.

It provides an update on the work the Administrators have undertaken with particular focus on progress made in the Reporting Period. The statutory receipts and payments account for the Reporting Period is included in Section 8.

We have sought not to duplicate information disclosed to creditors in prior reports and updates, copies of which can be found at:

<https://www.pwc.co.uk/services/business-restructuring/administrations/non-lbie-companies/lbptg-limited-in-administration.html>

Objectives of the Administration

The Administrators continue to pursue the statutory objective of achieving a better result for the Company's creditors as a whole than would be likely in a winding up (without first being in Administration).

The specific aims of this Administration are to:

- Realise all assets, including cash and interest in real estate, on a managed basis;
- Mitigate so far as possible and agree in principle the claims of all creditors; and
- Continue to manage investments in PTG's subsidiaries to maximise returns to creditors.

Outcome for creditors

Creditors may recall that on 24 June 2013, the Court granted the Administrators permission to make distributions to the Company's unsecured creditors.

Total cash distributions of £96,000,919 and US\$4,163,345 have been paid to date, equating to cumulative dividends totalling 54.203 pence in the pound. No distributions were paid in the Reporting Period.

The Administrators expect to make further interim cash distributions during the administration, although the exact amounts and timings remain contingent upon the outcome of the issues detailed in Section 2.

Extension to the Term of Office

The Administration was due to expire on 30 November 2023. Following an application to Court, an Order was made by the Court extending the Administrators' term of office to 30 November 2025. This will enable the Administrators to continue to realise the Company's assets and make further distributions to its creditors.

Next steps and future reports

The Administrators' next formal progress report to creditors will be in six months' time.

Signed



GE Bruce
Joint Administrator
Lehman Brothers (PTG) Limited

Section 2: Administrators' actions

Overview

PTG was initially funded by Lehman Brothers Holdings Inc. ("LBHI") with the objective of investing in real estate companies within the Lehman Brothers group, principally Eldon Street Holdings Limited ("ESH") and Thayer Properties Limited.

Creditors will recall that the Company's assets fell into three primary categories:

- Debtor balances due from PTG's immediate group as well as the wider Lehman Brothers group;
- Directly owned interests in commercial real estate; and
- Investments in subsidiary companies.

Details of the Administrators' steps to realise PTG's key assets are set out below.

Realisations from UK subsidiaries

Eldon Street Holdings Ltd

PTG's principal remaining asset is its £210,654,400 claim against ESH. To date, ESH has declared and paid to PTG eleven interim dividends totaling £101,362,604, equivalent to 48.118 pence in the pound.

Further distributions from ESH depend on the timing and quantum of ESH's final receipt of statutory interest from Lehman Brothers Holdings Plc ("LBH") together with any further realisations ESH makes from its subsidiary Eldon Street (Fidenza) Limited.

ESH's receipt of statutory interest from LBH will be impacted by the issue referred to in LBH's most recent progress report as "Partial Discharge" where, in light of the Court of Appeal's decision in the 2021 Priority Litigation, a challenge has been raised by LBH's subordinated creditors as to the appropriate method of calculating statutory interest, given ESH's receipt of guarantee payments from LBHI. The LBH administrators are presently consulting with LBH's creditors to identify a consensual solution to facilitate LBH making a final payment of statutory interest.

Eldon Street (Fidenza) Limited holds investments in two Joint Venture arrangements; one in residential development sites in the UK, the other in relation to an Italian shopping centre. The timing and quantum of recoveries from these assets remains uncertain.

Overseas subsidiary investments

PTG owns 51% of an Italian subsidiary known as Initium SRL ("Initium"). Initium is currently in Italian insolvency proceedings, with the liquidator continuing to realise Initium's portfolio of real estate assets.

Realisations to date total c.€3.2m, including €51,000 received during the Reporting Period. Whilst further realisations are anticipated, the quantum and timing are uncertain.

Creditors

PTG has paid eleven interim distributions to its creditors to date, totaling £96,000,919 and US\$4,163,345. This equates to a cumulative dividend of 54.203 pence in the pound.

In view of the issues described above it is anticipated that further interim distributions will be declared, although the timing and quantum of these remain highly uncertain.

Corporation Tax

All corporation tax returns up to and including the year ended 05 November 2022 have been submitted to HMRC.

The Administrators have met their obligations under the Senior Accounting Officer ("SAO") legislation with respect to the year ended 30 November 2022.

The Lehman group tax strategy has been published for the years up to and including the year ended 30 November 2023.

Investigations and actions

No matters have come to the Administrators' attention during the period under review to suggest that they need to do any further work pursuant to their duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No. 2.

Receipts and payments account

The receipts and payments accounts for the six months to 5 November 2023, together with a cumulative total since the beginning of the Administration, are included in Section 8.

The receipts and payments account does not show "estimated to realise" values from the directors' statement

of affairs as this would not provide a meaningful comparison with actual asset recoveries.

Statement of expenses

A statement of expenses incurred in the Reporting Period, as well as an estimate of future expenses, is set out at Section 9.

Our fees

We set out in Sections 4 and 5 an update on our remuneration which covers our fees, disbursements and other related matters in this case.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/in-solvency/creditors-guides/2021/>

You can also get a copy free of charge by telephoning Diane Adebawale on 020 7583 5000 or by emailing: uk_lehmanaffiliates@pwc.com.

Section 3: Statutory and other information

Court details for the Administration:	High Court of Justice, Chancery Division, Companies Court — case 9851 of 2008 and CR-2008-000026
Company's registered name:	Lehman Brothers (PTG) Limited
Trading name:	Lehman Brothers (PTG) Limited
Registered number:	04108157
Registered address:	7 More London Riverside, London, SE1 2RT
Date of the Administration appointment:	6 November 2008
Administrators' names, addresses and contact details:	GE Bruce, DJ Kelly and EJ Macnamara, of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT If you've got any questions, please get in touch with Diane Adebawale, on +44 (0) 7583 5000, or at: uk_lehmanaffiliates@pwc.com
Changes in Administrator:	On 6 November 2008 Anthony Victor Lomas, Derek Anthony Howell and Dan Yoram Schwarzman were appointed Joint Administrators On 30 November 2009 Steven Anthony Pearson and Michael John Andrew Jervis were appointed as additional Joint Administrators On 22 March 2013 Gillian Eleanor Bruce and Julian Guy Parr replaced Dan Yoram Schwarzman and Michael John Andrew Jervis as Joint Administrators On 26 July 2018 Edward John Macnamara and Russell Downs replaced Anthony Victor Lomas, Steven Anthony Pearson and Julian Guy Parr as Joint Administrators On 30 November 2021 David James Kelly replaced Russell Downs and Derek Anthony Howell as Joint Administrator
Appointer's / applicants' name and address:	High Court of Justice, Chancery Division, Companies Court on the application of the directors of the Company, 25 Bank Street, London, E14 5LE
Division of the Administrators' responsibilities:	In relation to paragraph 100(2) Sch.B1 IA86, during the period for which the Administration is in force, any act required or authorised under any enactment to be done by either or all of the Joint Administrators may be done by any or one or more of the persons for the time being holding that office
Details of any extensions of the initial period of appointment:	The High Court of Justice has granted nine extensions to the Administration period to: 30 November 2010; 30 November 2011; 30 November 2013; 30 November 2015; 30 November 2017; 30 November 2019; 30 November 2021; 30 November 2023 and 30 November 2025.

Section 4: Administrators' remuneration and other matters

Background

The general body of unsecured creditors is responsible for agreeing the basis and quantum of the Administrators' remuneration.

The Insolvency legislation

There are three alternative fee bases under insolvency legislation, being either or a combination of:

- A percentage of the value of the property with which the administrator has to deal;
- By reference to the time properly given by the administrator and his/her staff in attending to matters arising in the Administration; and/or
- As a set amount.

Insolvency legislation also provides that in arriving at a decision on remuneration, the following matters should be taken into consideration:

- The complexity (or otherwise) of the case;
- Any responsibility of an exceptional kind or degree which falls on the administrator;
- The effectiveness with which the administrator appears to be carrying out, or to have carried out, their duties; and
- The value and nature of the property which the administrator has to deal with.

Statement of Insolvency Practice No. 9

In addition to insolvency legislation, SIP9, issued by the Joint Insolvency Committee, was revised with effect from 1 April 2021 and applies to all open insolvency cases. It provides guidance to insolvency practitioners in relation to the disclosure of payments to insolvency officeholders and their associates. The revised SIP 9 requires, amongst other things, that payments from an insolvency estate of any element of costs that are shared, or payments being made to an associate, must be approved by the company's fee approving body. These are known as "Category 2 expenses".

The purpose of SIP9 is to set out the principles and key compliance standards with which insolvency practitioners are required to comply with regard to the provision of information to creditors and other interested parties who have a financial interest in the level of office holders' remuneration, disbursements and expenses paid from an insolvent estate.

In accordance with SIP9, Sections 4 and 5 show a summary of the work undertaken by the Administrators in the Reporting Period and, to the extent that it is not prejudicial to the interests of the Company, the expected future work the Administrators are to carry out to achieve the purpose of the Administration is shown in Section 6.

Creditors have the right to ask for information about remuneration or expenses under IR16 rule 18.9 and to challenge the Administrators' fees under IR16 rule 18.34 if they believe that they are too high. Creditors can find an explanatory note online at:

<https://www.icaew.com/-/media/corporate/files/technical/in-solvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ash>

A copy, free of charge, can be obtained from the Administrators by emailing uk_lehmanaffiliates@pwc.com.

Resolutions of the general body of unsecured creditors

Given the fundamental uncertainties about the value of the property with which the Administrators have to deal, the general body of unsecured creditors resolved that the Administrators' remuneration be based on the 'time properly given' basis – i.e. an hourly billing basis.

Costs incurred and approved to date

Up to 5 November 2023, the Administrators have drawn remuneration of £3,237,976 and disbursements of £3,859. These fees are shown in the receipts and payments account at Section 8. During the Reporting Period, the Administrators drew fees of £63,357 on account of their time costs.

The time cost charges incurred in the period 6 May 2023 to 5 November 2023 are £132,671. An analysis of the total hours and cost incurred by grade of staff can be found at Section 5.

Time charging policy and hourly rates

We and our team charge our time for the work we need to do in the Administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge required and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the Administration (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Time is charged in six-minute units. The minimum time chargeable is three minutes (i.e. 0.05 hours). We do not charge general or overhead costs.

The following table details the maximum hourly rate charged per hour for the grades of staff who worked on the Administration during the Reporting Period:

Restructuring & Insolvency Forensics	Max Rate (£)
Partner	1,060
Director	975
Senior Manager	775
Manager	625
Senior Associate	510
Associate and support staff	320
Offshore professionals	510

In addition, we call on specialist colleagues where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour:

Tax and Legal Data & Technologist	Max Rate (£)
Partner	1,385
Director	1,310
Senior Manager	1,060
Manager	775
Senior Associate	570
Associate and support staff	315

Whilst our scale rates may rise to cover annual inflationary and other cost increases, the maximum rate by grade is fixed until 30 June 2024.

Subcontractors

Certain centralised services are undertaken on behalf of the Company by employees retained by LBIE and LB SF Warehouse Limited for their prior and ongoing knowledge of the Company's affairs. Included in these services are the provision of certain tax and VAT services. The benefit

to the Company's creditors is through cost savings. This is because the Administrators consider it more efficient that this work is carried out by subcontractors and by the centralisation of services. The costs of such services are recharged to the Company on a costs basis and are invoiced directly to the estate.

Relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

Legal and other professional firms

A summary of legal advisors instructed by the Administrators can be found at Section 7. The Administrators are satisfied that the level of legal and professional costs are appropriate.

Expenses

A summary of the expenses, including disbursements, incurred by the Administrators during the period can be found at Section 9.

Section 5: Analysis of Administrators' time costs

Joint Administrators' Time Costs for the period 6 May 2023 to 5 November 2023
(including the cumulative total time costs from the date of the Administrators' appointment to 5 November 2023)

6 May 2023 to 5 November 2023											6 November 2008 to 5 November 2023
Reporting Category	Partner / Director		Senior Manager / Manager		Senior Associate		Associate		Total		Cumulative Total Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Accounting & Treasury	-	-	3.1	2,283	8.6	4,386	6.8	2,176	18.5	8,845	469,161
Creditors & Distributions	-	-	-	-	-	-	-	-	-	-	143,151
Statutory & Compliance	18.30	17,911	55.50	42,038	35.45	18,080	0.50	160	109.75	78,188	1,119,856
Strategy & Planning	11.45	11,164	10.20	7,095	5.75	2,933	-	-	27.40	22,001	896,860
Tax & VAT	1.00	1,385	27.50	21,868	0.60	306	.25	79	29.35	23,638	735,988
Total	30.75	30,459	96.30	74,093	50.40	25,704	7.55	2,415	185.00	132,671	3,365,016
Average hourly rate for the Reporting Period										717	

Note: 'Hours' has been rounded up or down, to the nearest whole hour, and there may be rounding in this table which means it appears to not be perfectly cast.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work:

Accounting and treasury – £8,845

This is an essential function for the management of funds held by the Administrators on behalf of the Company. The Administrators' treasury and cash management teams monitor and control the movement of funds, mitigate risk and seek to maximise the interest made on investments for the benefit of the Company's creditors.

- Provision of information for the purposes of statutory reporting;
- Arrangement of receipts and payments of funds and coding of movements;
- Monitoring flow of funds into the bank accounts; and
- Reconciling bank accounts.

Statutory and compliance – £78,188

The following tasks were undertaken in accordance with the Joint Administrators' statutory obligations and/or internal compliance:

- Preparing and circulating the Administrators' 29th progress report to creditors;
- Input into and reviews of the Administrators' witness statement and skeleton argument in support of the court application to extend the Administration;
- Generating monthly time cost information in support of the Administrators' remuneration;
- Dealing with statutory filings at Companies House and the Court;
- Preparing the Administrators' internal six-monthly case reviews in accordance with professional requirements;
- Managing and updating communications on PTG's dedicated website, maintaining and managing case files, records and the Company's database; and
- Dealing with other ad-hoc compliance and statutory issues.

Strategy and planning – £22,001

The Administrators and their staff have invested a proportion of their time in the planning and delivery of their strategy to progress the administration. The Administrators continue to explore strategies that will enable the Administration to be brought to a conclusion

and anticipate the Company will be dissolved after the conclusion of the Administration.

Activities include:

- Consideration of strategy including planning of future distributions to maximise the outcome for PTG's creditors and updating strategy documents;
- Discussion with stakeholders in regard to this strategy;
- Ongoing review and maintenance of financial information, including updating the estimated outcome statement;
- Ongoing review of the remaining assets in subsidiary companies and managing these in order to achieve closure of the subsidiary estates;
- Liaising with liquidators in order to collect balances payable;
- Regular case team meetings to manage case progression; and
- Liaising with specialist internal teams.

Tax and VAT – £23,638

The following tasks were undertaken for VAT and tax compliance purposes:

- Reconciliation, preparation and submission of quarterly VAT returns;
- Finalising and submitting the tax computation and return for 2022;
- Compliance with the Administrators' responsibilities under the Senior Accounting Officer legislation; and
- Preparation for, attendance and follow up to quarterly internal meetings.

Section 6: Our future work

Examples of work still to be done to achieve the purpose of the Administration are shown below. This is not an exhaustive list. Due to complexities and uncertainties as to timescale and quantum of further receipts into PTG, estimated costs have not been provided with our below summary, however broad estimates are included in Section 10:

Accounting and treasury

- Provision of information for the purposes of statutory reporting;
- Arrangement of receipts and payments of funds and coding of movements;
- Monitoring flow of funds into the bank accounts;
- Reconciling and closing bank accounts; and
- Facilitating payments to the Company's creditors.

Creditors and distributions

- Paying further distributions to creditors;
- Responding to creditors enquiries; and
- Updating creditor information.

Statutory and compliance

- Preparing and issuing of further progress reports to creditors;
- Six monthly reviews of case progress;
- Managing and updating communications on PTG's dedicated website, maintaining and managing case files, records and the Company's database
- Statutory filings at Companies House and Court; and
- Planning and applying for further extensions of the Administration as required.

Strategy and planning

- Directing the overall strategy for PTG;
- Ongoing reviews and maintenance of financial information, including updating the estimated outcome statement;
- Ongoing reviews of the remaining assets in subsidiary companies and managing these in order to achieve closure of the subsidiary estates;
- Monitoring of collection of debtor balances; and
- Oversight of reporting and accounting, including periodic meetings to monitor progress.

Tax and VAT

- Preparation and submission of corporation tax computations and returns;

- Consideration of impact on the Company of changes to UK tax legislation, including loss restriction and interest deductibility rules, and the potential impact as part of the corporation tax returns; and
- Compliance with various reporting obligations including tax strategy and corporate criminal offence legislation.

Closure

Preparing for and dealing with closure of the Administration and dissolution of the Company.

Section 7: Legal and other professionals

We have instructed the following professionals on this case to assist with various legal matters arising in the Administration. The selection of individual legal firms is determined by the jurisdiction and nature of the advice being sought, and whether a conflict exists.

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services	<ul style="list-style-type: none">Linklaters LLP	Specialist knowledge and experience	Time cost basis

All professional firms instructed by the Administrators are required to provide a narrative explanation in support of invoices. All invoices are reviewed before being approved for payment. The Administrators have satisfied themselves that the level of legal and professional costs is appropriate.

Section 8: Receipts & Payments to 5 November 2023

	GBP Movements			EUR Movements		
	05-Nov-23	in Period	05-May-23	05-Nov-23	in Period	05-May-23
Receipts						
Distributions received	99,194,975	-	99,194,975	1,208,032	-	1,208,032
Asset realisations	-	-	-	3,974,680	51,000	3,923,680
Loan from group company	30	-	30	-	-	-
Sale of tax losses	51,284	-	51,284	-	-	-
Corporation tax refund	-	-	-	-	-	-
Net tax function costs recharged (Note 1)	233,632	-	233,632	-	-	-
Assets held on trust	399	-	399	-	-	-
Interest received gross	239,940	55,734	184,206	-	-	-
Total receipts	99,720,260	55,734	99,664,526	5,182,712	51,000	5,131,712
Payments						
Distributions to unsecured creditors	96,000,919	-	96,000,919	-	-	-
Joint Administrators' remuneration	3,237,976	63,357	3,174,619	-	-	-
Joint Administrators' disbursements	3,859	132	3,727	-	-	-
Legal and professional fees	396,186	2,944	393,242	-	-	-
Employee wages and associated costs (Note 2)	497,567	25,300	472,267	-	-	-
Group tax relief (Note 1)	394,224	-	394,224	-	-	-
(Note 3)	300,000	-	300,000	-	-	-
Other	208,652	-	208,652	147	-	147
VAT irrecoverable (Note 4)	675,284	13,287	661,997	-	-	-
Total payments	101,714,667	105,020	101,609,647	147	-	147
Intracompany transfers						
Receipt	4,295,050	42,712	4,252,338	-	-	-
Payment	-	-	-	5,177,565	50,935	5,126,630
Total receipts less total payments	2,300,643	(6,574)	2,307,217	5,000	65	4,935
Cash balances						
HSBC (Note 5)	2,300,643	(6,574)	2,307,217	5,000	65	4,935
Money market	-	-	-	-	-	-
Total cash (Notes 6,7)	2,300,643	(6,574)	2,307,217	5,000	65	4,935

Notes

(1) Brought forward figures restated following an internal reconciliation.

(2) Includes quarterly recharge to Lehman Brothers International (Europe) for providing Tax services, and others costs, benefiting creditors through cost savings from the centralisation of services.

(3) Payment on account to HMRC in respect of the potential corporation tax liability arising from (i) subsidiary Grace Hotels final distribution and (ii) held over gain triggered by distributions from ESH.

(4) Due to the nature of the Company's former business, it is not entitled to recover input VAT on its costs.

(5) GBP funds are held in an interest bearing account. EUR account is non interest bearing.

(6) The estimated to realise asset values in the directors' statement of affairs do not represent a meaningful comparison with the current position and are excluded.

(7) The total GBP equivalent cash in hand at the exchange rate on 3 November 2023 is £2,304,982

(8) In addition to the receipts and payments detailed in the table, during the course of the administration a distribution of US\$4,163,345 was received from ESH.

This was paid to LB PTG's creditors as part of the 5th dividend. Additionally, US\$15 of bank interest was earned which was transferred to the sterling bank account prior to the US\$ account being closed.

Distributions to unsecured creditors	GBP	USD
1st dividend of 7.50p in the £, declared 29 October 2013	(13,717,755)	
2nd dividend of 10.42p in the £, declared 5 September 2014	(19,058,521)	
3rd dividend of 7.52p in the £, declared 11 March 2015	(13,756,814)	
4th dividend of 6.60p in the £, declared 10 March 2016	(12,071,616)	
5th dividend of 2.55p in the £, declared 9 September 2016	(1,524,019)	(4,163,345)
6th dividend of 3.488p in the £, declared 16 March 2017	(6,378,989)	
7th dividend of 6.903p in the £, declared 11 September 2017	(12,625,933)	
8th dividend of 5.470p in the £, declared 21 March 2018	(10,005,625)	
9th dividend of 2.246p in the £ declared 14 September 2018	(4,107,349)	
10th dividend of 0.9752p in the £ declared 24 February 2021	(1,783,453)	
11th dividend of 0.5309p in the £ declared 16 September 2021	(970,845)	-
Total distributions	(96,000,919)	(4,163,345)

Section 9: Statement of Expenses

The table at the bottom of this section provides details of the expenses incurred in the Administration. Expenses are amounts properly payable by us as Administrators from the estate, but excludes our fees and distributions to creditors. These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP 9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the general body of unsecured creditors) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Administrators' own firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. All other disbursements to be charged at cost.

The following table provides a breakdown of the expenses incurred in the Reporting Period:

Category	Basis of cost	Costs incurred £
2	Updates to website	28.50

We will seek approval for Category 2 expenses as set out above in due course.

The following table provides details of the expenses we incurred in the Reporting Period, together with an estimate of our future and total expenses. Expenses are amounts properly payable by us as administrators, from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as an administration expense, other than VAT, because amounts becoming due will depend on the position at the end of the tax accounting period.

The information in the below table should be read together with the receipts and payments account in Section 8, which shows expenses actually paid during the Reporting Period but which excludes those incurred which have not yet been paid.

In estimating future expenses, assumptions have been made relevant to the annual run rate and the possible duration of the Administration, where appropriate.

Amounts shown are in £000s.

Expense category	Incurred in Reporting Period (£000s)	Estimated future (£000s)	Estimated total (£000s)
Administrators' remuneration & expenses	133	600	3,942
Legal and other professional fees	3	504	900
Group tax relief	0	0	411
Employee wages and associated costs	26	78	576
Other	0	69	278
Irrecoverable VAT	27	235	1,024
Total	189	1,486	7,131

Notes:

1. Amounts have been rounded to the nearest £1k.
2. There may be rounding in this table which makes it appear to not cast perfectly.

Section 10: Estimate of future time costs

The Administrators have set aside a reserve of £600k for their future time costs, broadly analysed as follows:

Classification of work	£000s
Accounting and Treasury	70
Strategy and Planning	200
Statutory and Compliance	200
Tax and VAT	80
Creditors and Distributions	50
Total	600

The above figures assume that:

- The Administration will not be concluded prior to 30 November 2025, which is when the Administration is currently due to end,
- Time costs relating to compliance and maintenance of the case will be incurred at a similar rate to that incurred in the Reporting Period, and
- There will be further distributions to the Company's creditors.