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1 Company details

Company number 0 2 4 5 4 8 3 0

Company name in full
Windward Prospects Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)
Finbarr Thomas

Surname
O'Connell

3 Administrator's address

Building name/number
Evelyn Partners LLP

Street
45 Gresham Street

Post town
London

County/Region

Postcode
E C 2 V 7 B G

Country
United Kingdom

4 Administrator's name ①

Full forename(s)
Colin

Surname
Hardman

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number
Evelyn Partners LLP

Street
45 Gresham Street

Post town
London

County/Region

Postcode
E C 2 V 7 B G

Country
United Kingdom

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 6	^m 0	^m 4	^y 2	^y 0	^y 2	^y 2
To date	^d 2	^d 5	^m 1	^m 0	^y 2	^y 0	^y 2	^y 2

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Furlan O'Connell

X

Signature date

^d 2	^d 5	^m 1	^m 1	^y 2	^y 0	^y 2	^y 2
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Contact name **Cameron Dalrymple-Rockett**

Company name **Evelyn Partners LLP**

Address **45 Gresham Street**

Post town **London**

County/Region

Postcode **E C 2 V 7 B G**

Country **United Kingdom**

DX

Telephone **020 7131 4000**

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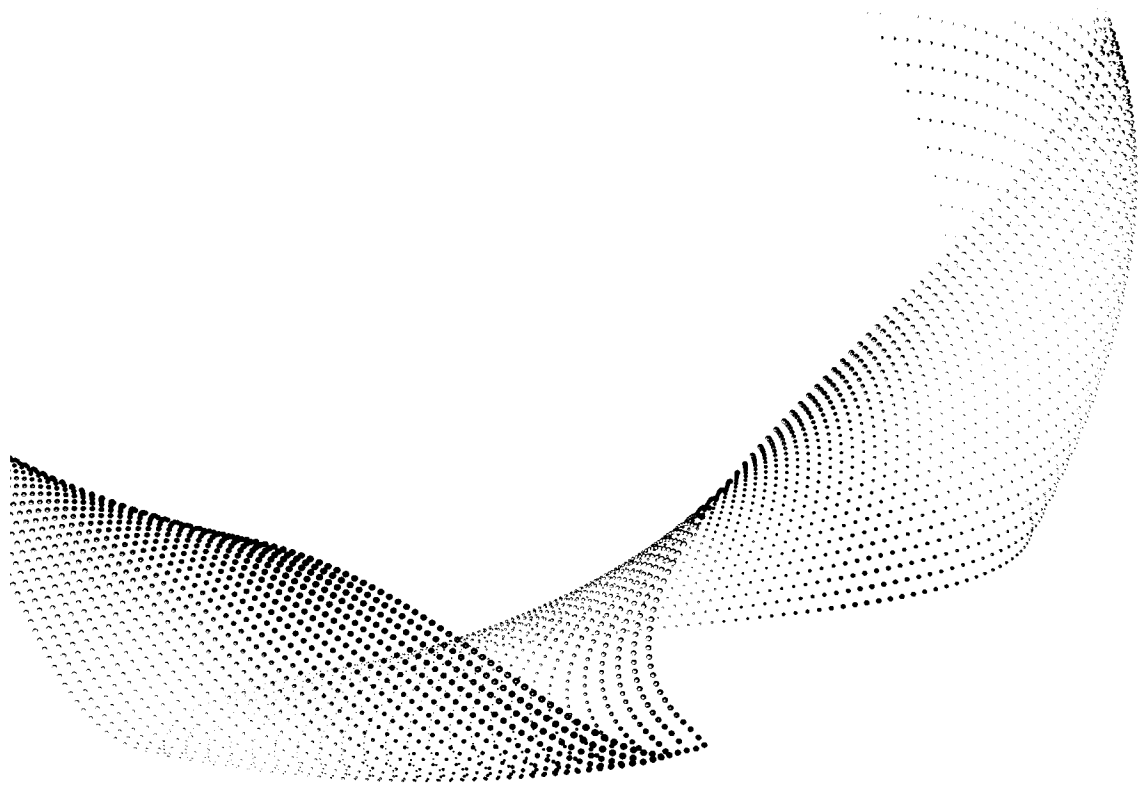
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Windward Prospects Limited (in administration)

Joint administrators' progress report for the period from 26 April 2022 to 25
October 2022

evelyn
PERKINS
WATKINS

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1. Glossary

Abbreviation	Description
the Company/Windward	Windward Prospects Limited
the administrators/joint administrators	Finbarr O'Connell and Colin Hardman
Cenkos	Cenkos Securities Plc
SIP	Statement of Insolvency Practice (England & Wales)
IA86	Insolvency Act 1986
	If preceded by S this denotes a section number
Sch B1	Schedule B1 to the Insolvency Act 1986
	If preceded by P this denotes a paragraph number
IR16	Insolvency (England and Wales) Rules 2016
	If preceded by R this denotes a rule number
SOA	Statement of Affairs
SPAC	Special Purpose Acquisition Company
CVA	Company Voluntary Arrangement
CVL	Creditors' Voluntary Liquidation
HMRC	HM Revenue & Customs
RPS	Redundancy Payments Service
EPEBC	Evelyn Partners Employee Benefit Consultants, a division of Evelyn Partners Financial Services Limited
EPFS	Evelyn Partners Financial Services Limited
EPIM	Evelyn Partners Investment Management, a division of Evelyn Partners Financial Services Limited
FCA	Financial Conduct Authority
The Directors	Christopher Gower, Brian Tauscher and Gerard Barron
B.A.T.	British American Tobacco Inc
BTI	BTI 2014 LLC, a subsidiary of B.A.T.
Sequana	Sequana S.A. – the holder of one preference share in the Company and the former owner of the Company, prior to the Company's acquisition by TMW Investments and others
TMC	The Metals Company Inc, a NASDAQ quoted company
TMW Investments	TMW Investments (Luxembourg) Sarl – a shareholder of the Company
NYSE	New York Stock Exchange

2. Introduction and Summary

From 14 June 2022, the firm's name has changed to Evelyn Partners LLP. Please note that this is a change to our brand only and that the services provided are unaffected.

Please also be aware that we have recently changed our postal and registered office address to 45 Gresham Street, London EC2V 7BG. Where applicable, please update your records accordingly.

This report provides an update on the progress in the administration of the Company for the six-month period ended 25 October 2022. It should be read in conjunction with any previous reports. By way of reminder, Finbarr O'Connell and Colin Hardman, of Evelyn Partners LLP, 45 Gresham Street, London, EC2V 7BG, were appointed as the joint administrators of the Company on 26 October 2018.

Below is a brief summary of the key points relating to the administration to date.

- The joint administrators continue, in accordance with their approved proposals, to pursue the second objective of administration, as set out in P3(1)(b) Sch B1, namely achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).
- The administrators continue to make progress in relation to the Company's remaining investments, with a view to maximising recoveries from them for the benefit of the creditors. We have carried on this work to better understand the current position of the assets and/or to seek realisation by way of sale of the Company's interests in the various investments. The continuing work in this regard remains sensitive and confidential in nature, apart from information disclosed in relation to realisations detailed in the body of this and previous reports.
- We have received creditor claims of £349,918,223.39 from 25 claimants as compared to the figure in the directors' SOA, which was £13,977,703.03. Very substantial creditor claims from B.A.T. and BTI relate to the Company's liability for river pollution clean-up costs in the US. We are currently reviewing the merits of the quantum claimed with the assistance of our solicitors. If the B.A.T and BTI claims are confirmed at the amounts claimed, then the dividend return to other creditors will be very substantially reduced. However, the administrators will pay an interim distribution to the unsecured creditors when the adjudication of creditors' claims has been completed. It is expected that this process will still take a few months and further information will be provided on this as soon as possible. It is likely the administration will convert into a liquidation in order for the dividend to be made.
- The joint administrators continue their work on various investigation matters with a view to maximising any potential recoveries for the benefit of creditors.
- The joint administrators have continued to meet the Company's obligations to the Company's principal creditors, BAT and BTI, in relation to claims against various parties. These claims were assigned to those companies, by the Company, in the pre-administration period and the administrators hope to make a recovery from those proceedings.
- The joint administrators have sold the Company's TMC shareholding and gross proceeds of £10.63 million have been received.
- In order to maximise the estate available to creditors, and whilst further work is completed to adjudicate the complex creditor claims received to date, the administrators have sought to increase interest accruing on the realisations made so far. £7 million was placed on short-term deposit at a rate of 1.65% p.a. and £1.6m has been placed in a short-term investment yielding 10% p.a. The joint administrators are managing the Company's funds in order to maximise the return for the creditors whilst ensuring that they are available to pay a dividend to the creditors at the appropriate time.
- Some of the joint administrators' fees were approved by the unsecured creditors, however, they will be subject to further confirmation by the creditors' committee.
- The joint administrators are pursuing a number of potential litigation avenues which may lead to substantial recoveries for the benefit of the creditors.
- It is expected that a distribution will be made to the unsecured creditors in the next few months.

3. Progress of the administration

Attached at Appendix I is our receipts and payments account for the period from 26 April 2022 to 25 October 2022. This account includes cumulative figures for the period from 26 October 2018 to 25 October 2022.

The receipts and payments account also includes a comparison with the directors' SOA values.

The administrators have received £24,615.61 in gross bank interest during this period.

The administrators are continuing to monitor the remaining investments with a view to realising their maximum potential. An overview of the remaining assets is shown in the table below, followed by a summary of the position.

Investment	Debt US\$	Equity US\$	Shareholding %
Direct Nickel Ltd & Direct Nickel Projects Pty Ltd	915,000	5,173,958	13 & 55
Aftermath Collections Limited	218,677	1,236,133	45
Kannuu Pty Ltd	3,716,700	Nil	TBC
Superfolk Limited	Nil	162,232	33.30
High 50 Holdings Limited	1,649,964	422,145	50
Total	6,500,341	6,994,468	

The joint administrators continue to monitor DN's progress and its value. The companies remain in their early phases of the development of their business plan. However, there are still no significant matters regarding asset recoveries from these investments to report at this time.

The joint administrators are in continuing discussions regarding the sale of the Company's interest in Aftermath and expect to progress matters further over the coming six month period.

The litigation regarding Kannuu remains ongoing in the US. We continue to receive periodic updates in relation to the litigation, but it is still too early to provide an indication as to the likelihood, quantum or timing of any recoveries at this stage. The last correspondence we had showed promising developments and we remain optimistic that the litigation can conclude favourably and in a manner beneficial to the administration.

There have been no developments to note during this period. The potential recoveries are very small in this case.

There have been no further developments to note during this period.

The joint administrators are continuing to investigate the rationale and business justification for the Company making the above, and other, investments. The potential write-off on these investments represents a significant part of the reduction in the Company's net asset position.

The prospects of recoveries from contingent receivables, as described in previous reports, are continuing to develop. The joint administrators are pursuing a number of potential litigation avenues which may lead to substantial recoveries for the benefit of the creditors. These matters are confidential but we will provide an update as they progress to a conclusion.

There have been no developments to note during this period.

There have been no changes to the administration strategy since the last report. The administrators will continue to pursue the objective P3(1)(b) Sch B1, namely achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).

During the period, the administrators invested £7 million into a two-month fixed deposit account from August to October 2022, in order to take advantage of higher short term interest rates available in that period. £19,302.74 of interest was earned as a result of the investment.

During the period the administrators invested £1.6 million in a short-term investment, with a yield of 10% p.a.

The joint administrators will continue to seek ways to maximise the funds available to creditors, particularly in the period whilst creditor claims are being assessed and prior to being able to make an interim distribution to creditors. The joint administrators are managing the Company's funds in order to maximise the return for the creditors whilst ensuring that they are available to pay a dividend to the creditors at the appropriate time.

4. Investigations

The administrators continue to consider (1) the affairs of the Company and (2) the investigation of transactions which might result in a benefit to creditors. The joint administrators are pursuing a number of potential litigation avenues which may lead to substantial recoveries for the benefit of the creditors.

Should the administrators become aware of any new material information that will impact on the original submission made to the Secretary of State under the Company Directors Disqualification Act 1986, a further/update submission to the Secretary of State will be made.

5. Administrators' remuneration

The creditors approved, on 4 January 2019, that the basis of the administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the administration. However, this approval will be subject to further confirmation by the creditors' committee.

The administrators' time costs are:

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Feed drawn £
26 October 2018 to 25 April 2019	295.25	93,430.25	316.44	Nil
26 April 2019 to 25 October 2019	123.90	28,749.00	232.03	Nil
26 October 2019 to 25 April 2020	253.25	69,585.00	274.77	Nil
26 April 2020 to 25 October 2020	230.17	74,981.41	325.76	Nil
26 October 2020 to 25 April 2021	321.99	167,012.19	518.69	Nil
26 April 2021 to 25 October 2021	868.23	415,402.05	478.45	Nil
26 October 2021 to 25 April 2022	472.25	328,000.32	694.55	Nil
26 April 2022 to 25 October 2022	374.93	255,170.97	680.58	Nil
Total	2,939.97	1,432,331.19	487.19	Nil
S&WEBC (cumulative)	112.75	38,412.25	340.69	Nil
Total as per Appendix III	3,052.72	1,470,743.44	481.78	Nil

Attached as Appendix II, is a time analysis which provides details of the activity costs incurred by staff grade during the period of this report in respect of the costs fixed by reference to time properly spent by the administrators and their staff in attending to matters arising in the administration. Details of work carried out in the period are also included in the body of this report.

Appendix III provides a cumulative time analysis for the period since the joint administrators' appointment, from 26 October 2018 to 25 October 2022.

It should be noted that due to a reporting error in the reporting period 26 April 2021 to 26 October 2021 the time recorded in the previous report for that period was incorrect. That time recording issue has been resolved and the above breakdown reflected the corrected periods.

Furthermore, the total costs for each period include non-insolvency teams within Evelyn Partners LLP under the instruction of the administrators. These teams are Corporate Finance, Corporate Tax and Forensics. A breakdown of their relevant time costs

for the period is shown within the table at Appendix II and cumulatively at Appendix III. The costs for EPEBC are recorded separately, as illustrated in the above table, which reconciles to the detailed information held at Appendix III.

The joint administrators' costs to date are £1,432,331.19, as above, compared to our original estimate of £300,000. This original estimate was put together before the complexities of the administration were known. The administrators have been required to deal with a number of complex matters, some of which are ongoing, and the duration of the administration has extended beyond the initial estimate. Consequently, the initial costs estimate has been exceeded.

The administrators have already received approval from the unsecured creditors to draw fees for time incurred up to the current estimate. However, the administrators will be seeking ratification of this decision from the creditors' committee along with approval for a revised estimate. Appendix IV provides a copy of the previously authorised time cost estimate breakdown. Additionally, a narrative explanation of the matters which remain to be dealt with in the administration can be found in the 'Outstanding matters' section of this report, below at section 8.

Creditors should be aware that some of the work completed by the joint administrators is required by statute and may not necessarily provide any direct financial benefit to creditors. An example of this would be providing information relating to the Company and its former officers as required by the Company Directors' Disqualification Act 1986.

A copy of "A Creditor's Guide to Administrator's Fees", as produced by the ICAEW, is available free on request or can be downloaded from their website as follows:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>

Details of Evelyn Partner's charge out rates and policies in relation to the use of staff are provided at Appendix V. The administrators have elected to change the charge out rates used to record their time in this case from standard rates to complex rates, due to the complex nature of this assignment. Complex rates have been applied to the current period (from 26 April 2022 to 25 October 2022). In the prior report (covering the period from 26 October 2021 to 25 April 2022) time incurred was reported based on standard rates but complex rates have now also been applied to that period. Complex rates will continue to be charged for future periods.

This change has been made to reflect the complexity of the work which was carried out in these periods and the nature of the administrators' ongoing work; including the realisation of the TMC shareholding, adjudication of complex creditor claims and ongoing investigation matters. In any event, no administrators' fees will be drawn until they have been approved by the creditors' committee. On a general note, please be aware that the charge out rates are subject to an annual review.

On 1 September 2020, the Smith & Williamson Group merged with the Tilney Group to extend our financial and professional services offering. In common with many professional firms, our scale rates rise to cover annual inflationary cost increases (which readers will be aware have been particularly high of late) and accordingly our rates have risen on average by approximately 7% with effect from 1 July 2022. Following the merger please note that there has been a change to our financial year-end and, as a result, we will be reviewing our charge-out rates again on 1 January 2023 (reverting to annual reviews thereafter). The rate of any increase on 1 January 2023 will take into account that only six months will have passed from the date of the last increase and so will not cause any prejudice to creditors and stakeholders.

Details of Evelyn Partners LLP's charge out rates (including any changes during the case) along with the policies in relation to the use of staff are provided at Appendix V.

We have no business or personal relationships with the parties who approve our fees.

We have no business or personal relationships with KaurMaxwell Ltd which provides legal services to the administration where the relationship could give rise to a conflict of interest.

6. Administration expenses

The tables in Appendices VI and VII provide details of our expenses. Expenses are amounts properly payable by us as administrators from the estate. The tables exclude distributions to creditors. The tables also exclude any potential tax liabilities

that we may need to pay as an administration expense because the amounts becoming due will depend on the position at the end of the tax accounting period.

The tables should be read in conjunction with the receipts and payments account at Appendix I which shows expenses actually paid during the period and also the total paid to date.

We have not utilised the services of any subcontractors during the period. Details of subcontractors used previously can be found in previous reports.

As you will be aware, our estimated expenses included the cost of instructing professional advisors and the table at Appendix VI discloses the costs incurred and paid, along with the original estimates.

On this assignment we have used the professional advisers listed in the table at Appendix VI. We have also indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis.

Cenkos

The administrators instructed Cenkos to advise on the Company's TMC shareholding. Cenkos had provided advice on DeepGreen's business combination with SOAC, a NYSE SPAC, (which resulted in TMC being formed) and on the disposal of the TMC shares.

Cenkos has proven experience in this field and its staff's experience and knowledge has been successful on other assignments which it has been instructed on by this office. Cenkos is regulated by the Financial Conduct Authority.

Kaur Maxwell

The administrators instructed Kaur Maxwell to provide legal advice to the Company. Reasons for the instruction include the following:

- Kaur Maxwell has proven experience in this field.
- Kaur Maxwell continues to demonstrate their expertise on complex matters within the administration and has provided advice which has assisted the administration and contributed to the progression of the administration.
- Their staff have continued to demonstrate their experience and efficiency by dealing with matters in an effective and commercial manner in order to achieve the desired results.
- They provide competitive rates which, combined with their proven insolvency knowledge, offers the best value for creditors.
- They hold the appropriate regulatory authorisations from the Solicitors Regulatory Authority.
- Their rates are subject to review and they will continue to be retained given the historic knowledge and expertise required.

Advice from Counsel

The administrators have instructed Counsel based at Guildhall Chambers and Selbourne Chambers to provide advice on various legal matters arising from the administration. They have also been used to assist in the preparation of the necessary statutory documentation for the extension of the administration and to advise on a series of other legal matters.

- The Counsel we instructed have proven insolvency experience. The administrators are familiar with their work from previous matters.

- They provide competitive rates which, combined with their proven insolvency knowledge, offers the best value for creditors.
- Their expertise, experience and cost-effectiveness make them valuable on this assignment.
- They hold the appropriate regulatory authorisations from the Bar Standards Board.

Dentons

Dentons was instructed to provide advice in relation to Canadian corporate law, specifically in relation to DeepGreen, a British Columbia ('BC') registered company and also in relation to TMC. Dentons has advised the administrators in relation to the combination between DeepGreen and SOAC and the administrators' rights as shareholders of DeepGreen and of TMC. More recently Dentons has provided additional advice with regard to the TMC share sale.

The administrators believe that they are receiving the best value and service from Dentons. Dentons are regulated under the Law Society of Ontario.

Creditors may recall that our initial expenses estimate for professional advisers was £50,000. Further costs will be incurred as the administration progresses.

The table setting out details of the joint administrators' expenses is at Appendix VII.

Comparison to Initial Expenses Estimate

Creditors may recall that our initial expenses estimate for the joint administrators' expenses was £499. We have incurred a higher level of costs, largely as a result of ongoing costs for the storage of the Company's books and records.

As previously noted, EPEBC (formerly S&WEBC) has assisted the administrators in dealing with the Company's pension affairs.

Appendix III details EPEBC's cumulative costs as an entry within the cumulative time analysis. Details of EPEBC's charge out rates are included at Appendix V.

Details of non-restructuring Evelyn Partners ('EP') departments and their costs are detailed below.

Corporate Tax

The administrators have previously instructed EP's Corporate Tax department to provide tax advice regarding (1) the realisation of the TMC shares, (2) completing the necessary tax forms following DeepGreen's combination with SOAC and (3) providing tax advice following the disposal of the TMC shares. Total cumulative costs incurred are £18,073.83, representing 30.35 hours at an average rate of £595.52 per hour.

The administrators use EP's Corporate Tax department as they offer competitive rates and as they are in-house there are efficiencies which will benefit creditors by reducing costs.

EPIM

The administrators instructed EPIM to provide preliminary advice regarding the Company's investments within the first period of the administration and later to assist with the sale of the Company's TMC shares. The preliminary advice was charged on a time costs basis and is recorded in the SIP9 reports at Appendix II and Appendix III. Assistance with the sale of the TMC shares was charged on a commission basis and is recorded in the Receipts and Payments account at Appendix I. The administrators used EPIM as their rates are competitive. Also, as they are in-house, we are able to collaborate effectively and there was no reliance on a third party. This provided a benefit to creditors as costs were lowered.

A further advantage of using EPIM is that they had permission to hold stock as a custodian, which is not the case with all brokers.

Forensics

The administrators have instructed EP's Forensics department to assist with the collection, access and provision of the Company's electronic records and files. Forensics have also assisted in providing documentation relevant to BAT's ongoing litigation. The total costs incurred are £3,159.25, representing 22.08 hours at an average rate of £143.06 per hour.

The administrators use the EP Forensics department as they offer competitive rates and as they are in-house there are efficiencies which will benefit creditors by reducing costs.

EPEBC

As previously mentioned, the administrators instructed EPEBC to provide pension advice regarding the claims surrounding the undefined unfunded pensioners.

The total costs incurred are £38,412.25, representing 112.75 hours at an average rate of £340.69 per hour. To draw any funds in relation to these costs the administrators will seek specific approval from the administration creditors' committee as this department is under a different Evelyn Partner entity.

The administrators retain EPEBC for the following reasons:

- Detailed, specialist pensions advice was required as part of the administrators' conduct of this case.
- EPEBC's expertise and experience provides the best service for the administration given the parties involved and EPEBC's contacts in the employee and pension sector.
- As EPEBC are in-house, there are efficiencies which will benefit creditors by reducing costs.
- Given the above, the administrators consider that EPEBC offers the best value to creditors.
- EPEBC hold the appropriate regulatory authorisations under the FCA and ICEAW.

Appendix V provides details of Evelyn Partners LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

7. Estimated outcome for creditors

The estimated outcome for each class of creditor is discussed below.

Please note that, where creditors have submitted claims in foreign currencies, they have been converted to £Sterling at the exchange rate applicable on the date of administration (26 October 2018). The applicable exchange rates are detailed in the table below (rounded up to 2 decimal places). If any creditor considers the rate to be unreasonable, they may apply to court for a determination.

Currency	Rate (GBP £)
Euro	1.13
US Dollar	1.28
Australian Dollar	1.80
Canadian Dollar	1.68

There are no secured creditors.

Given the absence of any known floating charge holders, the prescribe part requirements will not apply.

We set out below a summary of ordinary preferential claims received:

Ordinary preferential creditor	SQA claims £	Claims received £
Employee claims (1 claim)	35,237.00	35,237.00
Redundancy Payments Service	Nil	11,430.00
Total	35,237.00	46,667.00

The claims received in regard to employees have been settled in part by the RPS up to the available limit. The balance of the claim will be dealt with by the administrators.

We have received claims totalling £349,918,223.39 from 25 parties. Total claims as per the directors' SOA were £13,977,703.03 with 13 claims listed. As stated previously, the final adjudicated claims may differ from the submitted claims. The claims are under review by the administrators and this adjudication process has not yet been finalised by the administrators.

A summary of unsecured claims received is set out below:

	SQA claims £	Claims received £	Claims agreed in current period £	Total claims agreed £
Amount of claims (£)	13,977,703.03	349,918,223.39	Nil	Nil
Number of claims	13	25	Nil	Nil

Given the level of realisations to date and the estimated value of future realisations, unsecured creditors will not be paid in full. The administrators intend to pay an interim distribution to the unsecured creditors. This will likely require converting the administration to a liquidation, which the administrators intend to proceed with in the next few months.

8. Outstanding matters

The joint administrators' time costs to date are £1,432,331.19, as detailed in section 5, compared to our original estimate of £300,000. As previously mentioned, this original estimate was put together before the complexities of the administration were known. The administrators have encountered new matters during the course of the administration and the administrators believe that, to date, administration has been the best process to adequately deal with the Company's assets. The realisations which have been made to date highlight the benefits of the administration process.

In addition to the original estimate, it was anticipated in the previous report that the anticipated future total costs would be £1,500,000. However, given the current costs to date, our previous estimate will likely be exceeded soon and therefore our total time costs are estimated to be in the region of £2,000,000 up to 26 October 2023. The administrators will need to obtain approval from the creditors' committee before drawing any fees.

There are a number of complex matters which continue to require attention and work input from the administrators as well as from their advisors concerning future asset realisations, investigations and pre-administration Company obligations. The administrators believe that this work is necessary as it will yield a better return for creditors as per the administration objective being pursued.

Please note that the estimate of future costs is based on present information and may change due to unforeseen circumstances arising.

On a general note, creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. An example includes investigating the former officers of the company as required by the Company Directors' Disqualification Act 1986.

In addition to the continuing progress of matters as set out at section 3 above, the remaining actions to be concluded in the administration are as follows:

- Case maintenance and compliance requirements.
- Continue investigations into the Company's affairs, with assistance from our legal advisors, as necessary.
- Continuing to investigate the Company's remaining investments and other assets.
- To maximise recoveries from the remaining investments and assets, including potential legal actions, where possible.
- Continue to liaise with the Company directors and legal advisors regarding the Company's liability surrounding the Fox River and Kalamazoo River pollution clean-up operations.
- Filing the necessary corporation tax returns and obtaining tax clearance in respect of the administration period.
- Attending to potential tax matters and documentation surrounding the disposal of the Company's holding of the TMC shares.
- To continue to liaise with and to assist B.A.T., where necessary, under the terms of various pre-administration agreements.
- Seeking approval for the joint administrators' remuneration and costs from the creditors' committee.
- To review and agree the liability owed to the unfunded pension creditors.
- Adjudicating on creditor claims.

- Preparing distributions to creditors, as appropriate.
- Further statutory reporting as required by IA86 and IR16.
- Closure of the administration, including preparing and issuing the final report.
- Preparation for conversion to liquidation.

It should be noted that these tasks may continue into any subsequent liquidation process.

9. Privacy and data protection

As part of our role as joint administrators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at

If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact us if you believe this applies.

10. Ending the administration

The administrators consider that it may be appropriate to convert the administration into a CVL, to enable the payment of an interim distribution. This will also allow for the remaining assets in the estate to be managed and realised. The administrators will seek to conclude on this strategy and will report further to creditors.

11. Creditors' rights

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 or otherwise with the court's permission) may request in writing that the administrators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this 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 (including any paid) by the administrators, as set out in this report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Finbarr O'Connell or Colin Hardman in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 45 Gresham Street, London EC2V 7BG or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

i) Email:

ii) Telephone number: +44 300 678 0015

iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

12. Next report

We are required to provide a further report on the progress of the administration within one month of the end of the next six month period of the administration unless we have concluded matters prior to this, in which case we will write to all creditors with our final report.



Finbarr O'Connell and Colin Hardman

Joint Administrators

Date: 25 November 2022

Finbarr O'Connell and Colin Hardman have been appointed as the joint administrators of the Company on 26 October 2018.

The affairs, business and property of the company are being managed by the joint administrators as agents and without personal liability.

Both of the joint office-holders are authorised and licensed in the UK by the Institute of Chartered Accountants in England and Wales and are bound by their code of ethics. Further details of their licensing body along with our complaints and compensation procedure can be accessed at:

The joint administrators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. Evelyn Partners LLP may act as a 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 Fair Processing Notice in relation to the UK General Data Protection Regulation can be accessed at

Should you wish to be supplied with a hard copy of any notice, attachment or document relating to a case matter, please contact the staff member dealing with this matter at any time via telephone, email or by post and this will be provided free of charge within five business days of receipt of the request.

The word partner is used to refer to a member of Evelyn Partners LLP. A list of members is available at the registered office

Evelyn Partners LLP is registered in England at Gresham Street, London EC2V 7BG No OC369631

Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities

Appendices



I Receipts and payments account

**Windward Prospects Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 26/04/2022 To 25/10/2022 £	From 26/10/2018 To 25/10/2022 £	
	ASSET REALISATIONS		
	Bank Interest Gross	24,615.61	26,345.06
3,000.00	Cash at Bank	NIL	4,904.84
	Investments/Shareholdings	NIL	755,965.65
12,028,100.00	Repayment of Loans	NIL	9,460.93
	TMC Shareholding	NIL	10,635,165.17
	Wine Holdings	NIL	3,354.60
		<hr/>	<hr/>
		24,615.61	11,435,196.25
	COST OF REALISATIONS		
	Agents/Valuers Fees	100,000.00	178,427.86
	Bank Charges	17.80	36.75
	Brokerage & Sec Fees	NIL	5,164.97
	Brokers Commission	NIL	55,479.02
	Data Hosting/Access Fees	11,173.44	13,518.44
	Legal Expenses	4,099.00	30,798.44
	Legal Fees	239,773.50	617,921.11
	Storage Costs	NIL	308.30
	Transaction Charges	NIL	50.08
		<hr/>	<hr/>
		(355,063.74)	(901,704.97)
		<hr/>	<hr/>
12,031,100.00		(330,448.13)	10,533,491.28
	REPRESENTED BY		
	Clients Deposit (Int Bearing)		10,375,554.73
	VAT Receivable		157,936.55
			10,533,491.28

- The administrators' remuneration has been approved by the unsecured creditors but not yet ratified by the creditors' committee.
- We have not yet sought approval of or drawn any other costs that would require the same approval as our remuneration.
- Details of significant expenses paid are provided in the body of our report.
- Details of payments made to sub-contractors are shown in the body of our report.
- Information concerning our remuneration and expenses incurred is provided in the body of the report.
- Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report.
- All bank accounts are interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT.
- Any associated charges/commission or fees have been converted to GBP Pound Sterling at the relevant transaction date.
- EPIM have received payment in relation to the sale of the Company's TMC shares.

II Time analysis for the period

Period	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	0.00	0.00	13.48	33.12	0.00	46.60	21,019.87	451.07
Case administration	144.09	0.00	53.73	18.26	0.00	216.08	179,417.54	830.33
Sub-total Administration & planning	144.09	0.00	67.21	51.38	0.00	262.68	200,437.41	763.05
Investigations								
Records and investigations	0.00	0.00	41.43	7.86	0.00	49.29	23,581.42	478.42
Sub-total Investigations	0.00	0.00	41.43	7.86	0.00	49.29	23,581.42	478.42
Realisation of assets								
Other assets	0.00	0.00	1.25	0.00	0.00	1.25	720.00	576.00
Realisation of assets, other (legacy)	0.00	0.00	18.78	6.73	0.00	25.51	13,022.56	510.49
Sub-total Realisation of assets	0.00	0.00	20.03	6.73	0.00	26.76	13,742.56	513.55
Creditors								
Employees, Pensions & RPS	0.00	0.00	20.66	4.75	0.00	25.41	13,291.23	523.07
Unsecured creditors (exc. Staff)	0.00	0.00	0.55	0.00	0.00	0.55	255.20	464.00
Sub-total Creditors	0.00	0.00	21.21	4.75	0.00	25.96	13,546.43	521.82
Total of all hours	144.09	0.00	149.88	70.72	0.00	364.69	251,307.82	689.10
Time undertaken by non insolvency teams								
Corporate Tax	2.00	1.67	2.17	3.90	0.00	9.74	3,803.15	390.47
Employment Benefits Consultants	14.80	0.05	0.00	0.00	0.00	14.85	5,058.30	340.63
Forensics	0.00	0.00	0.00	0.50	0.00	0.50	60.00	120.00
Total hours (non insolvency teams)	16.80	1.72	2.17	4.40	0.00	25.09	8,921.45	355.58
Grand total	160.89	1.72	152.05	75.12	0.00	389.78	260,229.27	667.63

Administration and Planning

This section relates to work carrying out administration and planning in respect of the appointment for the period. This work included the following:

- Production and filing of statutory reports.
- Dealing with routine correspondence.
- Ensuring the Company complied with its obligations to share records and information with various parties.
- Maintaining physical case files and electronic case details on IPS (case management software).
- Internal and external strategy meetings regarding the progression of the administration and reviewing the outcome for creditors.
- Completing tax returns.
- General engagement with legal advisors.
- Completing bank reconciliations.
- Making payments to various advisors and paying other administration expenses.
- Background tasks regarding receipt of funds from investments.
- Compliance with insurance requirements.

- Review of case progress and holding regular update meetings internally, with advisors and with other stakeholders, including creditors.

Investigations

This section relates to our statutory obligations to investigate the actions of the directors of the Companies and to review the Company's records with a view to making asset recoveries. This work includes the following work, which remains on going:

- Further investigations of the actions of various parties in the lead up to the administration of the Company.
- Continued review and investigation regarding the substantive liability surrounding the Company's obligation to meet remedial costs for US river pollution. This is including communications with the parties involved along with legal advice to better understand the position and how it would affect the estate and any potential dividend.
- Ongoing assistance provided to B.A.T., regarding their ongoing litigation under the terms of certain pre-administration agreements.
- Further review into the investment strategy and dispositions of assets in connection to ongoing investigations and realisations.

Realisation of Assets

This section is in relation to the realisation of the Company's assets. The work includes the following:

- Continued correspondence with directors of Aftermath, review of internal records and negotiation of sale price of the Company's interest in Aftermath.
- Monitoring the Company's other investments and keeping abreast of various developments.
- Researching and reviewing potential legal actions in conjunction with the investigation into the affairs of the Company and disposals made.

Creditors

- Dealing with creditor communications.
- Review of creditor position and updates where necessary.
- Issuing updates and creditor specific communications.
- Update calls with creditors.
- Investigation and review of the unfunded pensioners arrangement amounts to determine the estimated liability due.
- Considering complex creditor claims and work on adjudicating the same.

III Cumulative time analysis

Cumulative	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	0.00	0.85	38.45	102.96	0.00	142.26	53,451.49	375.74
Case administration	1124.78	4.67	86.40	103.21	0.00	1,319.05	874,158.24	662.72
Post appointment AML/Compliance	0.00	3.05	0.00	18.95	0.00	22.00	5,138.50	233.57
Administration & planning - other (legacy)	49.00	16.35	25.60	178.85		345.60	99,462.50	287.80
Sub-total Administration & planning	1,173.78	24.92	150.44	403.97	0.00	1,828.91	1,032,210.74	564.39
Investigations								
Directors	0.00	0.00	0.45	0.00	0.00	0.45	141.75	315.00
Records and investigations	0.00	5.20	68.68	112.96	0.00	186.84	72,613.98	388.64
Investigations, other (legacy)	55.20	0.75	4.45	28.15	0.00	114.90	44,461.75	386.96
Sub-total Investigations	55.20	5.95	73.58	141.11	0.00	302.19	117,217.48	387.89
Realisation of assets								
Investment properties	0.25	0.00	52.10	38.95	0.00	91.30	45,077.04	493.72
Other assets	0.00	2.60	59.47	39.32	0.00	101.38	30,335.63	299.22
Legal actions (civil recoveries)	25.50	44.60	57.47	49.82	0.00	177.38	63,198.33	356.28
Realisation of assets, other (legacy)	28.25	2.05	31.55	11.25	0.00	96.75	34,989.50	361.65
Sub-total Realisation of assets	54.00	49.25	200.58	139.33	0.00	466.82	173,600.50	371.88
Creditors								
Chargeholders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employees, Pensions & RPS	0.00	0.30	25.61	9.88	0.00	35.79	18351.62	512.76
Unsecured creditors (exc. Staff)	0.00	2.80	21.25	5.93	0.00	29.98	9661.53	322.23
Disclaimers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors, other (legacy)	16.40	1.65	55.70	114.60	0.00	223.85	60,056.25	268.29
Sub-total Creditors	16.40	4.75	102.56	130.41	0.00	289.62	88,069.40	304.08
Total of all hours	1,299.38	84.87	527.16	814.83	0.00	2,887.54	1,411,098.11	488.69
Time undertaken by non insolvency teams								
Corporate Tax	13.50	0.00	12.43	4.42	0.00	30.35	18,073.83	595.52
Employment Benefits Consultants	86.50	3.55	9.40	13.30	0.00	112.75	38,412.25	340.69
Forensics	0.00	0.00	2.00	20.08	0.00	22.08	3,159.25	143.08
Total hours (non insolvency teams)	100.00	3.55	23.83	37.80	0.00	165.18	59,645.33	361.09
Grand total	1,399.38	88.42	551.00	852.63	0.00	3,052.72	1,470,743.44	481.78

The administrators and their team have incurred costs of £1,432,331.19. This includes the administrators' direct costs and the non-insolvency departments of Corporate Tax and Forensic. It does not include the costs of EPEBC which are noted in the above table at £38,412.25, as illustrated above and in the table at section 5 of this report. The table at section 5 also provides a reconciliation to the detailed information set out above. The total costs of all relevant departments in Evelyn Partners are £1,470,743.44 representing 3,052.72 hours equating to an average rate of 481.78 per hour.

The following gives a summary of our original estimates, provided in our proposals, and the actual time costs incurred as at 25 October 2022 for ease of comparison:

Task	Estimated fees to be incurred	Actual Fees Incurred £
Administration and Planning	66,220.00	1,032,210.74
Investigations	96,645.00	117,217.48
Realisation of Assets	87,432.50	173,600.50
Creditors	42,602.50	88,069.40
Corporate Tax	Nil	18,073.83
Forensics	7,100.00	3,159.25
Total	300,000.00	1,432,331.19

The material differences between our original estimates and what has actually been incurred as at 25 April 2022 can be explained as follows:

For reference, the previously approved fees estimate (by unsecured creditors following the issue of the Joint Administrators' Report and Statement of Proposals) can be found at Appendix IV.

Administration and planning

Time incurred in relation to administration and planning exceeds our earlier estimates due to the following reasons:

- More statutory matters to attended to which was not foreseen in the original estimate.
- Increased information gathering, management and provision to third parties.
- Continuing and extensive strategy calls and meetings with the appointed agents, within the team and with management of those investments also.
- Further considerations for the administration strategy in respect of ascertaining and maximising the value of the shares, theoretical scenarios, and estimated outcomes to creditors.

Investigations

Time incurred in relation to investigations exceeds our estimates due to the following reasons:

- Increased investigation the actions of various parties in the lead up to the administration of the Company.
- The administrators continue to meet its obligations to assist B.A.T. with the provision of information.
- Further work has been undertaken regarding the substantive liability surrounding the Company's obligation to meet remedial costs for US river pollution.
- Communications with the parties involved regarding the river clean up along with legal advice to better understand the position and how it would affect the creditor pool and any potential dividend.
- Review into the investment strategy and dispositions of assets in connection to ongoing investigations and realisations.

Realisation of Assets

Time incurred in relation to realisation of assets exceeds our earlier estimates due to the following reasons:

- Complexity of the assets under the administrators' control.
- Additional work was needed regarding the review of investments changing given their liquidity.

Creditors

Time incurred in relation to creditors is above our estimate due to the following reasons below. It is anticipated that further costs will be incurred in this regard.

- More time has been expended dealing with communication with creditors as we are required to assist the Company's majority creditors on various matters and therefore more in-depth and frequent communication was needed.
- Given the complexity and dynamic nature of some of the Company's assets further communication has been required on this front also.
- The administrators have spent time over the course of administration dealing with the unfunded pensioners and the administrators have continued throughout the periods trying to ascertain their liability and calculating their current liability for claim purposes.

Corporate Finance

We did not provide an estimate of time we anticipated would be incurred by colleagues from our Corporate Finance department. Their time incurred in the initial period of the administration has been recorded under the legacy section in realisation of assets in the time analysis above.

Corporate Tax

We did not provide an estimate of time we anticipated would be incurred by colleagues from our Corporate Finance department.

Forensics

Time incurred by colleagues from our Forensics department exceeds the amount we initially estimated, due to the complexity of matters that have been dealt with.

IV Fees and costs estimate

Windward Prospects Limited (In Administration) Fees estimate according to number of hours, grade of staff and expected work to be undertaken for the period 26 October 2018 to 25 October 2019							
Anticipated case duration	1	Year					
	Partner/ Director	Manager	Administrator	Assistants & support staff			
Hourly rate (£)	625	455	285	250			
	Hours				Total hours	Total estimated time costs (£)	Average hourly rate
Classification of work function							
Administration and planning							
Statutory returns, reports & meetings	10.00	25.00	15.00	2.00	52.00	22,400.00	430.77
Regulatory correspondence including creditors	1.00	3.00	5.00	2.00	11.00	3,915.00	355.91
Correspondence including banking	1.00	2.00	5.00	10.00	18.00	5,460.00	303.33
Case planning, reviews and progression, including creditors and prioritising meetings, check list & diary and any costs of extending the administration	15.00	25.00	25.00	-	65.00	27,875.00	428.85
Insurance & general asset protection	-	1.00	2.00	-	3.00	1,025.00	341.67
Policy, title and information management	-	0.50	2.00	-	2.50	797.50	319.00
Agents and advisers, general	2.00	2.00	1.50	-	5.50	2,587.50	470.45
Director's management fees, approval and planning	2.00	2.00	-	-	4.00	2,160.00	540.00
Investigations							
Director's correspondence & conduct questionnaires	1.00	5.00	5.00	-	11.00	4,325.00	393.18
Statutory books and accounting records review	5.00	25.00	25.00	-	55.00	21,625.00	393.18
Reporting to The Insolvency Practitioner	1.00	5.00	5.00	-	11.00	4,325.00	393.18
Investigation of legal claims and related to asset recovery	35.00	50.00	25.00	-	110.00	51,750.00	470.45
Asset tracing	5.00	10.00	10.00	-	25.00	10,525.00	421.00
Enquiries of advisors and other parties with relevant information and information gathering	2.00	5.00	2.00	-	9.00	4,095.00	455.00
Realisation of assets							
Identify assets and resources	1.00	10.00	5.00	-	16.00	6,600.00	412.50
Control assets	0.50	2.00	1.00	-	3.50	1,507.50	430.71
Realisation	35.00	50.00	15.00	-	100.00	48,900.00	489.00
Control of the assets and distribution	10.00	15.00	10.00	-	35.00	15,925.00	
Control of the assets and distribution	10.00	15.00	5.00	-	30.00	14,500.00	483.33
Creditors							
Empowerment of the creditors with the Insolvency Practitioner's reports and information	2.00	3.00	5.00	-	10.00	4,040.00	404.00
Empowerment of the creditors	5.00	8.00	6.00	-	19.00	8,475.00	446.05
Empowerment of the creditors	19.46	30.00	15.00	-	64.46	30,087.50	466.76
Forensics							
Forensic	5.00	10.00	5.00	-	20.00	7,100.00	355.00
Total	162.96	293.50	189.50	14.00	659.96	300,000.00	454.57

Windward Prospects Limited (In Administration) Estimated expenses in accordance with Categories 1 & 2 (SIP 9) and payable to third parties *		
Estimated expenses applicable to all cases		Total
Specific bond		140.00
Statutory advertising costs		159.00
Case specific costs - where applicable		
Agents' fees		2,500.00
Legal fees		50,000.00
Storage costs		200.00
SG&WFL		10,000.00
SG&WFS		10,000.00
Total		72,999.00
Category 1 expenses, in accordance with Statement of Insolvency Practice 9 are specific costs payable to an independent third party and relate directly to the case in question. Category 2 expenses are payable to the office holder's firm and are shared or allocated costs, most notably business mileage.		

Explanation of the above categories

Administration and Planning

This section of the analysis encompasses the cost of the office holders and their staff in complying with their statutory obligations, internal compliance requirements, and all tax matters.

This work includes the following:

- Preparing the documentation and dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Protection of company's assets and records (including electronic).
- Dealing with routine correspondence.
- Dealing with agents on general appointment matters, not relating to the sale of assets or correspondence with advisers on investigation matters.
- Maintaining physical case files and electronics case details on IPS (case management software).
- Case reviews (including 6 month reviews).
- Case bordereau and reviews.
- Case planning: administration; and general case progression, including adjustments in appointment strategy.
- Preparing reports to stakeholders.
- Maintaining and managing the appointment's cash book and bank accounts.
- Ensuring statutory lodgements and tax lodgements obligations are met.
- Submitting VAT returns and Corporation Tax returns (when due).
- Dealing client identification and internal Smith & Williamson LLP compliance requirements.

Investigations

Investigations include work carried out as a consequence of the obligations placed upon us to investigate the Company's affairs. The work undertaken is that described in SIP2 and SIP4 which govern both the investigations of the Company's failure and also examine the conduct of the directors. This work includes the following:

- Investigating the reasons for the failure of the Company (including enquiries with the company's directors and possible interviews of key stakeholders).
- Review and investigation of stakeholders' complaints and responses into the failing of the business and actions of company's directors.
- Review and storage of books and records.
- Asset tracing (including land registry and company searches).
- Possible actions (including legal recourse) to restore assets of the company, or compensate the company for the financial losses incurred.
- Preparing a return/report pursuant to the Company Directors' Disqualification Act.
- Discussions and correspondence with relevant personnel and agents.

Realisation of assets

This section is in relation to the realisation of the Company's assets, which is explained in detail through the contents of our report. A significant amount of time may be spent in relation to the sale of the assets of the Company. The work generally includes the following:

- Pursuing recoveries from the Company's investment portfolio
- Pursuing recoveries from the Company's contingent receivable
- Recovering cash at bank sums
- Miscellaneous asset realisation outlined in the contents of the report.
- Liaising with agents and advisors in relation to ongoing asset recovery matters

Creditors

Work under this section includes correspondence and other contact with the creditors of the Company. The work includes the following:

- Dealing with creditor correspondence via email and telephone.
- Preparing reports to chargeholders.
- Dealing with creditors' committee correspondence via email and telephone. Meetings of the creditors' committee is also recorded within "Administration and Planning" in respect of statutory matters and meetings.
- Maintaining creditors' information on our insolvency database.
- Meetings and discussions with key creditors as appropriate
- Maintaining employee claims and liaising with Job Centre, Redundancy Payments Services etc.
- Investigating and dealing with the Company's unapproved unfunded pension position
- Adjudicating of creditor claims including matters of ROT.
- Distributions to various categories of creditors.

Forensic

Work under this section includes securing and maintaining the Company's electronic records

V Staffing, charging, subcontractor, and adviser policies and charge out rates

Detailed below are:

- Evelyn Partner LLP's policies in relation to:
 - Staff allocation and the use of subcontractors
 - Professional advisers including Evelyn Partners Financial Services Limited
 - Expense recovery
- Evelyn Partner LLP's and Evelyn Partners Financial Services Limited current 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.

The constitution of the case team will usually consist of a partner and a partner or director or associate director or consultant as the joint office-holders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed, 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 case (including our cashiers, support and secretarial staff) charge time directly to the assignment 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 up to 31 July 2020 is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof. The minimum time chargeable is one minute. We do not charge general or overhead costs.

It may be necessary to utilise staff from both the regional and London offices, subject to the specific requirements, eg, geographical location, of individual cases.

This case is predominantly being conducted from the London office.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised in the period covered by this report are set out in Appendix V.

Any such arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.

- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add best value and service to the assignment.
- The expertise and experience of the service provider;
- The provider holds appropriate regulatory authorisations; and
- The professional and ethical standards applicable to the service provider.

Arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

External professional advisers are third party entities. The insolvency practitioners and their firm do not have any association with any external provider of services and therefore they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in Statement of Insolvency Practice 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in Statement of Insolvency Practice 9 and therefore do not require prior approval from the committee or creditors.

Evelyn Partners Financial Services Limited, through its Employee Benefits Consultancy division, provides specialist advice to insolvency practitioners on their appointment as the joint office-holders of insolvent estates in relation to all aspects of pensions. Evelyn Partners Financial Services Limited is a company associated with Evelyn Partners LLP and may be engaged to deal with the pension affairs of insolvent estates of which insolvency practitioners from Evelyn Partners LLP are appointed as the joint office-holders.

Payments to parties in which the joint office-holders or their firm have an interest must be disclosed to, and approved by, the committee or the creditors as a category 2 expense pursuant to Statement of Insolvency Practice 9. Consequently, details of the charge out rates for Evelyn Partners Financial Services Limited are set out below. Fees for their services are accrued on a time costs basis.

The unsecured creditors then rectified by creditors' committee approved EPFS's remuneration on a time costs basis under the administrators and their team's time costs at the onset of the administration. EPFS's time costs for the reporting period to 25 October 2022 are £38,412.25. This represents 112.75 hours at an average rate of £340.69 per hour. In the period covered by this report no funds have been paid to EPEBC.

EPIM were engaged to assist in the sale of the Company's TMC shares in the previous period. Their fees were drawn on a commission basis as part of the share sales, as disclosed in the Receipts and Payments account at Appendix I and as noted in the previous report.

Category 1 expenses do not require approval by creditors. The type of expenses that may be charged as a Category 1 expense to a case generally comprise external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also, chargeable will be any properly reimbursed expenses incurred by Evelyn Partners LLP personnel in connection with the case.

Category 2 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 include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012 Evelyn Partners LLP's policy is to recover only one type of Category 2 expense, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 expenses.

Details of any Category 2 expenses incurred and/or recovered in the period covered by this report are set out in the body of this report.

A schedule of Evelyn Partners LLP's charge out rates was issued to creditors at the time the basis of the administrators' remuneration was approved. Charge out rates for EPFS were also provided to creditors at the time the basis of their fees was approved by the unsecured creditors.

The rates applicable to this appointment are set out below. As noted in the main body of the report, complex rates are now being charged in this case. Complex rates have been applied to the current period (from 26 April 2022 to 25 October 2022). In the prior report (covering the period from 26 October 2021 to 25 April 2022) time incurred was reported based on standard rates but complex rates have now also been applied to that period. Complex rates will continue to be charged for future periods.

Evelyn Partners LLP	London
Restructuring & Recovery Services	Office
Charge out rates from 1 July 2018	£/hr
Partner / Director	450-520
Associate Director	420
Managers	250-365
Other professional staff	170-320
Support & secretarial staff	90

Evelyn Partners LLP	London
Restructuring & Recovery Services	Office
Charge out rates from 1 July 2019	£/hr
Partner / Director	470-540
Associate Director	440
Managers	270-380
Other professional staff	180-380
Support & secretarial staff	100

Evelyn Partners LLP	London
Restructuring & Recovery Services	Office
Charge out rates from 1 July 2020	£/hr

Partner / Director	495-570
Associate Director	380-465
Managers	285-400
Other professional staff	125-465
Support & secretarial staff	105

Evelyn Partners LLP	London
Restructuring & Recovery Services	Office
Complex charge out rates from 1 July 2021	£/hr

Partner	792
Director / Associate Director	632
Managers	552
Other professional staff	432
Support & secretarial staff	160

Evelyn Partners LLP	London
Restructuring & Recovery Services	Office
Complex charge out rates from 1 July 2022	£/hr

Partner	1,065
Director / Associate Director	650
Managers	576
Other professional staff	450
Support & secretarial staff	176

Notes

1. Up to 31 July 2020 time is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof.
2. The firm's cashiering function is centralised and London rates apply. Up to 31 July 2020 the cashiering function time is incorporated within 'Other professional staff' rates. Following a change to our time reporting software, from 1 August 2020 the cashiering function time continues to be reported according to the seniority of staff undertaking the work in our time analyses and is split between 'Other professional staff', 'Managers' and 'Associate Director'.
3. Partner includes a Consultant acting as an office-holder or in an equivalent role.

Evelyn Partners Employee Benefits Consultants	Per hour
Charge out rates from 1 July 2018	£

Director	245-349
Associate Director	204-244
Manager	139-195
Administrator	88-170

Evelyn Partners Employee Benefits Consultants	Per hour
Charge out rates from 1 July 2019	£

Director	245-349
Associate Director	204-244
Manager	139-195
Administrator	88-170

Evelyn Partners Employee Benefits Consultants	Per hour
Charge out rates from 1 August 2020	£

Director	280-360
Associate Director	220-275
Manager	160-200
Administrator	70-110

Evelyn Partners Employee Benefits Consultants	Per hour
Charge out rates from 1 July 2021	£
Director	300-410
Associate Director	220-300
Manager	160-220
Administrator	85-160

Evelyn Partners Employee Benefits Consultants	Per hour
Charge out rates from 1 February 2022	£
Director	339-421
Associate Director	257-308
Manager	175-226
Administrator	87-164

Evelyn Partners LLP	London office
Corporate Tax	£/hr
Charge out rates from 1 January 2022	
Partner / Director	590-950
Associate Director	430-535
Managers	230-460
Other professional staff	105-245
Support & secretarial staff	60-75

Evelyn Partners LLP	London office
Corporate Tax	£/hr
Charge out rates from 1 January 2021	
Partner / Director	550-890
Associate Director	400-500
Managers	215-430
Other professional staff	95-230
Support & secretarial staff	55-70

Evelyn Partners LLP	London office
Forensics	£/hr
Charge out rates from 1 July 2019	
Partner / Director	470
Associate Director	-
Managers	320-410
Other professional staff	240
Support & secretarial staff	-

VI Professional advisers

Name of professional advisor	Basis of fee arrangement	Initial / revised estimate £	B/F from previous period	Costs incurred in current period	Cumulative total £	Estimate for future £	Anticipated future total £	Variance – initial to anticipated £	Costs paid in current period £	Total costs outstanding at period end £
Kaur Maxwell Limited (legal advice)	Hourly rate and expenses	50,000.00	28,533.50	233,205.00	723,702.78	500,000.00	1,223,702.78	1,173,702.78	238,622.50	23,116.00
Selborne Chambers (Counsel)	Hourly rate and expenses	Nil	Nil	Nil	4,725.00	15,275.00	20,000.00	20,000.00	Nil	Nil
Guildhall Chambers (Counsel)	Hourly rate and expenses	Nil	6,300.00	6,950.00	49,825.00	25,175.00	75,000.00	75,000.00	13,250.00	8,000.00
Dentons Canada LLP* (Legal advice)	Hourly rate and expenses	Nil	882.83	1,418.31	61,822.41	8,177.59	70,000.00	70,000.00	Nil	1,418.31
Genkos (valuation and stock market advice)	Hourly rate and expenses	Nil	100,000.00	Nil	165,000.00	20,000.00	185,000.00	185,000.00	100,000	Nil
Capital Alliance Corporation	Hourly rate and expenses	1,250.00	Nil	Nil	5,137.86	9,862.14	15,000.00	13,750.00	Nil	Nil
Alton Alexander Ltd	Hourly rate and expenses	1,250.00	Nil	Nil	8,290.00	6,710.00	15,000.00	13,750.00	Nil	Nil
Total		52,500.00	135,716.33	241,573.31	1,018,503.05	585,199.73	1,603,702.78	1,551,202.78	261,872.50	32,534.31

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

VII Administrators' expenses

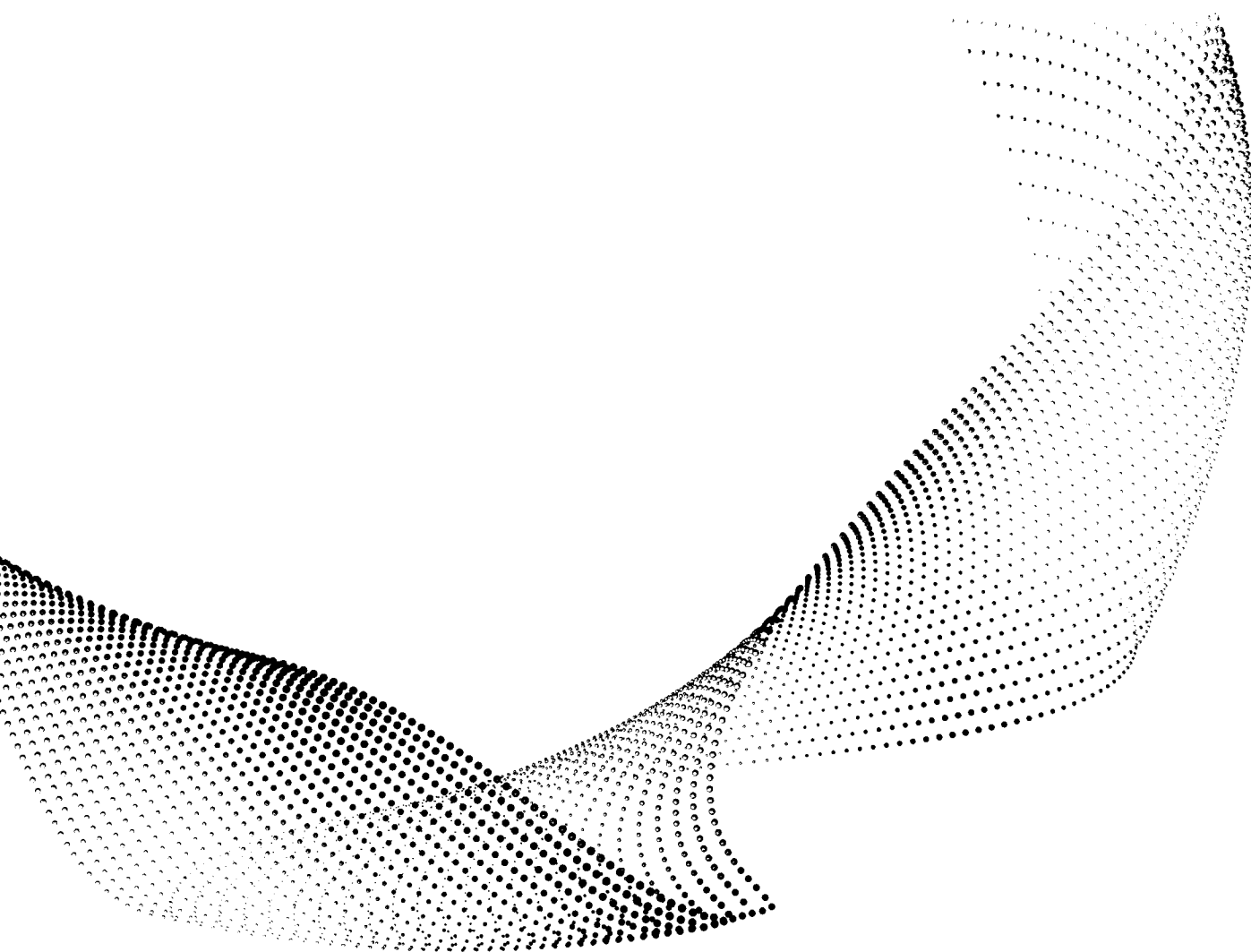
Description	Initial / revised estimate £	B/F from previous period	Costs incurred in current period	Cumulative total £	Estimate for future £	Anticipated future total £	Variance – initial to anticipated £	Costs paid in current period £	Total costs outstanding at period end £
Statutory Advertising	159.00	81.45	Nil	81.45	150.00	231.45	72.45	Nil	81.45
Administrators' bonds	140.00	140.00	Nil	140.00	Nil	140.00	Nil	Nil	140.00
Court Fees	Nil	280.00	Nil	280.00	Nil	280.00	280.00	Nil	280.00
*Storage costs	200.00	Nil	Nil	308.30	4,691.70	5,000.00	4,800.00	154.15	*Nil
Control Risks Group (Data Hosting)	Nil	11,173.44	11,173.44	17,779.51	7,220.49	25,000.00	25,000.00	11,173.44	Nil
Total	499.00	11,674.89	11,173.44	18,589.26	12,062.19	30,651.45	30,152.00	11,327.59	501.45

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

*Storage costs

The administrators have two storage providers. JG Collection Services Limited are the administrators chosen storage provider and hold files collected during the administration. Iron Mountain (UK) Plc were the Company's pre appointment storage provider holding 41 boxes of company records across three sites. The administrators felt it was more commercial to keep the pre appointment records with Iron Mountain.

In terms of costs, JG provide their costs for holding records with them at the end of the assignment along with final storage and destruction. Therefore, their costs will be confirmed at the end of the assignment. As for Iron Mountain, the administrators are aware of a balance due for the boxes held and are seeking to bring the arrears up to date.



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Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury, and Southampton.

Evelyn Partners LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities and is registered in England at 45 Gresham Street, London, EC2V 7BG. No. OC 369631.

CLA Evelyn Partners Limited is registered to carry on audit work and regulated by the Institute of Chartered Accountants in England and Wales for a range of Investment business activities.

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PARTNERS