

AM10

Notice of administrator's progress report



Companies House



1 Company details

Company number 1 0 1 2 4 1 8 2

Company name in full Afan Valley Limited

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

2 Administrator's name

Full forename(s) Philip

Surname Duffy

3 Administrator's address

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country United Kingdom

4 Administrator's name ①

Full forename(s) Sarah

Surname Bell

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

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	1	d	6	m	0	m	2	y	2	y	0	y	2	y	0
To date	d	1	d	5	m	0	m	8	y	2	y	0	y	2	y	0

7 Progress report☒ I attach a copy of the progress report**8** Sign and dateAdministrator's
signature

Signature

X **X**

Signature date	d	1	d	4	m	0	m	9	y	2	y	0	y	2	y	0
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AM10

Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Perry Eleftheriou**

Company name **Duff & Phelps Ltd.**

Address **The Chancery**

58 Spring Gardens

Post town **Manchester**

County/Region

Postcode **M 2 1 E W**

Country **United Kingdom**

DX

Telephone **0161 827 9000**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Progress Report to Creditors

Afan Valley Limited (In Administration)

14 September 2020

Joint Administrators' Progress Report for the period from 16 February 2020
to 15 August 2020

**Duff & Phelps Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW**

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1. Introduction

The Joint Administrators were appointed on 16 August 2019 by an order of the Court.

This Progress Report provides an update on the Administration of the Company. It should be read in conjunction with the Proposals and the previous progress report.

The Joint Administrators' have also explained their future strategy for the Administration and how likely it is that they will be able to pay each class of creditor.

You will find other important information in this Progress Report such as the costs the Joint Administrators have incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

Please also note that an important legal notice about this Progress Report to Creditors is attached at Appendix 9.

2. Creditor summary

This Progress Report covers the period from 16 February 2020 to 15 August 2020.

Summary of Proposals

The purpose of an Administration is to achieve one of the following hierarchical objectives:

- Rescuing the company as a going concern; or
- 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); or
- Realising property in order to make a distribution to one or more Secured or Preferential creditors.

The first objective will not be achieved as there are insufficient funds and assets available to enable the Company to be rescued as a going concern.

The Joint Administrators are pursuing the second objective as there is evidence to suggest that it is likely that a better result for the Company's creditors as a whole will be achieved than if the Company was wound up as the Joint Administrators are in negotiations with all key stakeholders and interested parties to take forward the Afan Valley project.

The Joint Administrators expect to achieve the third objective if the second objective is not achieved, as it is anticipated that a distribution will be paid to one or more of the Secured Creditors of the Company following the sale of the Land.

Progress to date

The progress of the Administration to date is set out in Section 3 of this report. This section includes updates on the Administration during the Reporting Period.

Outcome for Creditors

At this stage it is anticipated that there will be sufficient realisations to enable a distribution to Mr Mishon, however, there may be insufficient realisations to repay Mr Mishon in full under his security.

The Joint Administrators are not aware of any employees of the Company therefore no preferential claims are anticipated.

Based upon the current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential creditors of the Company, other than from the Prescribed Part, if any.

Please note, this Progress Report provides creditors with an account of the progress of the Administration of the Company in the period. The Joint Administrators' previous progress reports and the Statement of Proposals issued to the Company's Creditors are available to view on the Joint Administrators' website. Paper copies can be provided free of charge by writing to Perry Eleftheriou at this office. Unless otherwise stated, all amounts in this Progress Report and appendices are stated net of VAT.

3. Progress of the Administration

This section provides an update on the Joint Administrators' strategy for the Administration and progress to date.

3.1 Strategy and progress to date

The Company's main asset is the Land. The Company proposed the development of an outdoor adventure park at a 450-acre site in the Neath Port Talbot area of Wales, the Land formed part of this proposed site. The scheme proposed four 'activity zones' offering, amongst other things: downhill skiing, water sports, high-wire forest adventures, off-road biking, survival training, trampolining and surfing.

It is an off-plan property development scheme, whereby investments were being solicited for the purchase of plots of land on which lodges were to be constructed, as well as for 100 rooms in the proposed Treetops Hotel and Spa and the 400 residential lodges themselves.

During the Reporting Period, the Joint Administrators have issued an Information Memorandum to a number of suitable parties who could fund, acquire and develop the scheme.

The Joint Administrators along with the management team are liaising with these interested parties, however, in order to not prejudice any future negotiations, no further information can be provided at this time.

3.2 Asset realisations

Realisations during the period are set out at Appendix 3.

Summaries of the most significant realisations during the Administration are provided below:

3.2.1 Land at Afan Valley Resort

The Afan Valley Site comprises three parcels of land registered at HM Land Registry under title numbers WA519567, CYM471819 and CYM60212.

The Land Registry titles for the Land disclose that the land comprising title WA519567 was acquired by Ontaris Resources Inc., a BVI registered company, on 17 April 2008 for a price of £250,000 and remains in that company's ownership. A Unilateral Notice in favour of the Company, under its former name of Caerau Parc Limited, was registered against the title on 8 March 2017 in respect of a contract for the sale of that land to the Company dated 1 August 2016. The Joint Administrators investigations into this contract and the circumstances surrounding this are ongoing.

The Land comprising title CYM471819 was acquired by the Company on 22 December 2017 for a price of £25,000. The Land is subject to a restriction on disposition pursuant to a charge dated 19 December 2017 in favour of 360 Mi.

The land comprising title CYM60212 was transferred to Mr Mishon on 15 April 2014 and remains in his ownership. No details are given regarding the price paid on that transfer and the title instead confirms that a price of £180,000 was paid for this land on 12 February 2002.

The Joint Administrators are continuing discussions with major stakeholders including the former planning consultant and operation management team, the Local Council, the Welsh Government and the Secured Creditors. Two interested parties have been identified who are interested in taking the project forward and discussions are currently ongoing.

The Joint Administrators are attempting to finalise the legal agreement relating to the section 106 agreement following the grant of the outline planning permission. However, the timescales on finalising this are currently uncertain due to the complexities of the s.106 agreement and its obligations which are currently being negotiated between the Joint Administrators, the Secured Creditor and the Council's lawyers.

Although there are parties that have expressed an interest in taking the development forward, we are remarketing the site with its new planning permission and provisional s.106 agreement in the meantime.

The landowner of the adjacent pieces of land is currently funding the costs incurred by the estate of the planning application and the s.106 agreement compliance work, these costs are entirely at his own risk and are on a contingent basis and repayment to the landowner will be dependent on whether any value is derived in the estate in respect of the project.

The costs are detailed below and exclude VAT. The total costs incurred both outside and in the Reporting Period by Mr Mishon are detailed at Appendix 4.

Costs incurred and paid by Mr Mishon in the Reporting Period

Legal and professional fees Walton & Co	£4,036
Consultancy fees Bright Aspect Ltd	£3,000
Consultancy fees Soltys Brew Star Ecology	£2,546
Consultancy fees Lime Transport Limited	£3,000
Consultancy fees AECOM Ltd	£3,708

Further updates will be provided to creditors in the Joint Administrators' next report and investor updates as appropriate.

3.2.2 Intercompany debt

Following an initial reconciliation of the outstanding debts from associated companies in the Company's books and records, the Joint Administrators are of the understanding that the outstanding balances are as detailed overleaf.

Some of the associated companies listed are in formal insolvency processes and it is uncertain whether any of the intercompany debts are recoverable. The Joint Administrators will lodge claims in each of the relevant estates and pursue each debt accordingly. The claims have been submitted in the estates which the Joint Administrators are not appointed over.

	Value (£'000)
Belmont Hotel Limited	39
Caer Rhun Hall Hotel Limited	20
Campus House Limited	71
Carmarthen Bay Hotel Limited	3
Llandudno Bay Hotel & Spa Limited	124
MBi Smithy Bridge Limited	61
Northern Powerhouse Developments Limited	3,851
Wyncliffe House Hotel Limited	1
Atlantic Bay Hotel (Woolacombe) Limited	91
MBi Clifton Moor Limited	94
Woodhouse Family Limited	62
MBi Hawthorn Care Limited	605
Afan Valley Management Limited	659
Bracken Country House Limited	3
Foxglove Hotel Limited	26
Gilsland Hall Limited	90
Total	5,800

3.2.3 Cash at bank

As stated previously no realisations are anticipated in relation to cash at bank.

3.2.4 Other assets

The Joint Administrators are not aware of any other assets available in the Administration; however, they will continue to investigate the potential to enhance realisations for the benefit of creditors.

3.2.5 Investigations

The Joint Administrators continue to review the affairs of the Company to ascertain if there are any actions which could be taken against third parties to increase recoveries for Creditors.

The Joint Administrators' investigations into the activities of the Companies and the operation of the various investment schemes are continuing. The Joint Administrators' investigations are primarily focused on investor data and the flow of funds.

The Joint Administrators are continuing to liaise with third parties to obtain relevant investor data. Due to the volume of investment, accounting and investor data and delays encountered in obtaining data from third parties, these investigations are still in progress.

Since the previous investor update, the Joint Administrators have focused on the analysis of the client account ledgers obtained from Metis Law and Linda Heald Property Law, for all NPD transactions, on which these entities acted.

The client account ledgers provide information on the receipts and payments of investor monies that were disbursed directly by Metis Law and Linda Heald Property Law without being transferred to the Northern Powerhouse Developments Limited's (NPD) bank accounts.

The Joint Administrators have requested client account ledgers from Metis Law for all transactions on which Metis Law acted, for NPD and all other entities under the control of the Joint Administrators.

Metis Law has provided the Joint Administrators with over 75% of these ledgers. For those ledgers that have been provided so far, the Joint Administrators have converted these into Excel so that the transactions can be effectively analysed. These Excel conversions have then been collated. The conversions are being reviewed for accuracy and completeness, and the analysis of the transactions is underway.

There are still a number of ledgers that to be provided by Metis Law. The Joint Administrators are working with Metis to obtain these ledgers as quickly as possible and to resolve any additional queries arising.

All client ledgers have been received from Linda Heald Property Law. These have been converted into Excel and an initial analysis has been undertaken. The analysis has identified investor receipts paid to Linda Heald Property Law of £16.7 million in relation to NPD associated entities (of total investor deposits of approximately £72.5 million). The analysis of the dispersal of those funds is continuing.

Once these analyses are complete, a revised investor money trails analysis will be provided to investors showing the general trails of investor funds.

The Joint Administrators' investigations into the Company's affairs are currently ongoing. The Joint Administrators cannot, at this stage, detail the full nature of these investigations as it may hamper any further action that may be required. However, should any of the Company's creditors have information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, please contact this office. The Joint Administrators have a statutory obligation to file a report with DBEIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators appointment. The Joint Administrators have filed their confidential report with DBEIS regarding the conduct of the Director of the Company. The content of this report is confidential and has been submitted to the Insolvency Practitioners Compliance Unit.

3.3 Costs

Payments made in the Reporting Period are set out at Appendix 3.

You will note from Appendix 3 that no payments have been made during the Reporting Period as there are currently no funds held in the Administration estate.

3.4 Schedule of expenses

The Joint Administrators have detailed the costs incurred during the Reporting Period, whether paid or unpaid, in the schedule of expenses attached at Appendix 4.

Summaries of the most significant expenses which have been incurred in the period but have not been paid are provided below:

Significant expenses incurred but not paid		
Joint Administrators' time costs	£34,645	Total time costs incurred in the period is £34,645. See Appendix 5. See Appendix 6 for further details in relation to the Joint Administrators' fees.
Legal fees Hewlett Swanson	£2,210	Hewlett Swanson have incurred legal fees in dealing with the Properties and assisting with the collection of the director's loan account.

Legal and professional fees	£4,000	Walton & Co have incurred fees in dealing with planning application and s.106 agreement.
Walton & Co		
Consultancy fees	£2,400	AECOM have incurred fees in dealing with the planning application and s.106 agreement.
AECOM Ltd		
Legal and professional fees	£5,000	NPT Legal have incurred fees in dealing with the planning application and s.106 agreement.
NPT Legal		
Consultancy fees	£4,000	nineteen47 have incurred fees in dealing with the planning application and s.106 agreement.
nineteen47 Limited		

4. Outcome for Creditors

4.1 Secured Creditors

360 Mi Limited

In consideration for monies advanced under a loan facility the Company granted 360 Mi a debenture on 19 December 2017, which confers fixed charges over the Land comprising title CYM471819

It has since been confirmed that there is no outstanding indebtedness to 360 Mi as the debt was settled in January 2019.

The Joint Administrators will request that 360 Mi satisfy the charge at Companies House in due course.

Clive Mishon

In consideration for the monies advanced under a loan facility the Company granted Mr Mishon a debenture on 14 January 2019, which confers fixed charges over the the Land comprising title CYM471819

The indebtedness to Mr Mishon at the Appointment Date was approximately £380,000 plus any accruing interest.

At this stage it is anticipated that there will be sufficient realisations to enable a distribution to Mr Mishon however there may be insufficient realisations to repay Mr Mishon in full under his security.

4.2 Preferential Creditors

The Joint Administrators are not aware of any employees of the Company therefore no preferential claims are anticipated.

4.3 Unsecured Creditors

According to the Company's books and records, Unsecured trade creditors total £245,606. Claims totalling £40,220 have been received to date.

The Company's books and records also indicate additional balances of £498,081 are due to other associated companies. The Unsecured Creditors can be summarised as follows:

Creditor	Claim (£)
Trade & Expense Creditors	245,606
Inter-Company Creditors	498,081
Investor Buyback Provision	13,617,215
Total	14,360,902

Based upon the current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the Unsecured Creditors of the Company, other than from the Prescribed Part, if any.

If not already done so Creditors of the Company should complete the proof of debt form at Appendix 9 and return same to the Joint Administrators.

4.4 Prescribed part

The Company did not grant any floating charges and therefore the prescribed part provisions do not apply.

5. Other matters

5.1 Decision procedure

No decision is being sought from Creditors as part of this progress report. Creditors will be notified should they be required to vote on any future decision procedure where applicable.

5.2 Creditors' Committee

A Creditors' Committee has been established in the Administration comprising of 4 members. The first Creditors' Committee meeting was held on 17 March 2020.

In line with the Non-Disclosure Agreement that each member of the Creditors' Committee was required to sign, the content discussed at this meeting remains strictly private and confidential and as such cannot be disclosed in this Progress Report.

5.3 Joint Administrators' Receipts and Payments account

A detailed Receipts and Payments Account for the period is shown in Appendix 3 together with a cumulative account for the whole of the Administration.

5.4 Creditors' rights

Further information regarding the remuneration and disbursements of the Joint Administrators, including Creditors' rights to challenge such costs is provided at Appendix 7, Statement of Creditors Rights.

6. Joint Administrators' fees and expenses and pre-Administration costs

6.1 Fees and expenses

The basis of the Joint Administrators' remuneration has yet to be approved. A formal request for approval has been sent to the members of the Creditors Committee. The Joint Administrators propose that their remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.

An update on the fee approval will be provided in the next report.

6.1.1 Time costs

Time has been charged in six-minute units. Details of the time charged for the Reporting Period are attached at Appendix 5.

Time costs incurred in the Reporting Period total £34,645 which represents 99 hours at an average hourly rate of £349.

Time costs incurred during the life of the Administration total £79,867 which represents 261 hours at an average hourly rate of £306.

These costs are within the estimate provided in the Joint Administrators' Statement of Proposals.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

6.1.2 Fees

No fees have been drawn in the Reporting Period and are therefore not reflected at Appendix 3.

6.1.3 Expenses

Details of the expenses charged for the Reporting Period are attached at Appendix 4. No expenses have been drawn in the Reporting Period.

6.1.4 Disbursements

In the Reporting Period, the Joint Administrators have incurred no disbursements for services provided by Duff & Phelps Ltd (defined as Category 2 Disbursements in the Statement of Insolvency Practice 9).

No disbursements, including those detailed in the previous progress report have been paid to date.

The Joint Administrators' expenses and disbursements are detailed at Appendix 5.

6.1.5 Additional information

Also attached at Appendix 6 is a narrative summary of the work carried out to assist creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to creditors.

Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is set out in Appendix 7.

6.2 Pre-Administration costs

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Company entered Administration but with a view to it doing so.

Any Pre-Administration costs incurred in respect of the Company were incurred by the Interim Managers and therefore, approval of these costs has been sought from the Court accordingly.

A Court Order was obtained on 2 March 2020 which approved and fixed the Interim Managers' fees of the Company in the sum of £60,888 plus VAT. These costs are to be paid as an expense of the Administration.

7. Future strategy

7.1 Future conduct of the Administration

The Joint Administrators will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the Administration.

7.2 Extension of the Administration

An Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the Creditors' consent.

The Joint Administrators requested that the Administration period be extended by 12 months to 15 August 2021 to continue to realise assets for the benefit of the Administration estate of the Company.

The extension request was granted by the Secured Creditors on 16 June 2020.

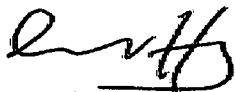
A notice of the extension is available for viewing and downloading from the Duff & Phelps website <http://www.duffandphelps.com/ukrestructuring>.

No further notice of the extension will be delivered to creditors. A hard copy is available on request.

7.3 Future reporting

The Joint Administrators will provide a further progress report within one month of 15 February 2021 or earlier if the Administration has been completed prior to that time.

If you require further information or assistance, please do not hesitate to contact Perry Eleftheriou.



Philip Duffy
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Philip Duffy and Sarah Bell, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1 – Statutory information

COMPANY INFORMATION

Company and trading name	Afan Valley Limited	
Date of incorporation	14 April 2016	
Registered Number	10124182	
Company Director	Gavin Woodhouse	
Shareholders	Northern Powerhouse Developments Adventure Resorts Limited – 100% shareholder	
Trading address	Unit D2, Elland Riorges Link Lowfields Business Park Elland HX5 9DG	
Registered office	Current: c/o Duff And Phelps Ltd The Chancery 58 Spring Gardens Manchester M2 1EW	Former: Unit D2, Elland Riorges Link Lowfields Business Park Elland HX5 9DG

ADMINISTRATION INFORMATION

Administration Appointment	The Administration appointment granted in High Court of Justice Business and Property Courts of England and Wales, 4269 of 2019	
Appointor	The Court	
Date of Appointment	16 August 2019	
Joint Administrators	Philip Duffy and Sarah Bell	
Original purpose	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	
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1	
Current Administration expiry date	15 August 2021	
Prescribed Part	The Prescribed Part is applicable in this case. It has been taken into account when determining the dividend prospects for Unsecured Creditors (Section 4).	
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.	

Appendix 2 – Approved Proposals

That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect.

That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.

That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration will cease.

That the Joint Administrators, where they consider that there are funds available to be distributed to the unsecured creditors (other than under the Prescribed Part) take the necessary steps to put the Company into either creditors' voluntary liquidation or into compulsory liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Philip Duffy and Sarah Bell of Duff & Phelps would act as Joint Liquidators should the Company be placed into creditors' voluntary liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these Proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.

Appendix 3 – Receipts and Payments account

Statement of Affairs £	From 16/02/2020 To 15/08/2020 £	From 16/08/2019 To 15/08/2020 £
	NIL	NIL
REPRESENTED BY		NIL

18 August 2020 12:54

Appendix 4 – Schedule of expenses

A summary of expenses incurred during the period of this report is set out below:

Schedule of Expenses	Incurred in the prior period but not accrued for (£)	Incurred and paid in the period (£)	Incurred in the period and not yet paid (£)
Expenses			
Legal and professional fees	500	4,036	11,210
Consultancy fees	47,367	12,254	6,400
Total	47,867	16,290	17,610

The Joint Administrators choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and basis of their fee.

The above costs exclude VAT and do not appear at Appendix 3 as these costs have been incurred and paid by Mr Mishon.

Appendix 5 – Analysis of time charged and expenses incurred

Refer to the table overleaf for a detailed breakdown on the Joint Administrators' time and cost summary in accordance with SIP 9.

We have incurred the following disbursements during the Reporting Period.

SIP 9 - Disbursements		Category 1		Category 2		Totals (£)
Disbursements		Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Meals		-	-	-	-	-
Insurance		-	-	-	-	-
Travel		-	-	-	-	-
Total		-	-	-	-	-

Please note that this table includes expenses incurred by Duff & Phelps Ltd and is therefore unlikely to reconcile with the disbursements shown in the Schedule of Expenses.

108631 AFAN VALLEY LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/02/2020 to 15/08/2020

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	2.00	1.00	0.00	0.65	0.00	3.65	1,816.50	497.67
Cashiering & accounting	0.00	0.00	0.00	0.95	0.00	0.95	142.50	150.00
Statutory matters (Meetings & Reports & Notices)	0.00	2.00	3.10	17.70	0.00	22.80	6,159.00	270.13
Strategy planning & control	6.50	0.25	0.00	9.00	0.00	15.75	6,476.50	411.21
Creditors								
Communications with Creditors / Employees	1.50	0.00	1.70	7.70	0.00	10.90	3,492.00	320.37
Creditors committee	0.70	0.50	8.30	16.20	0.00	25.70	7,431.00	289.14
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	0.10	0.00	0.10	15.00	150.00
Secured Creditors	0.00	1.00	3.90	0.50	0.00	5.40	2,231.00	413.15
Investigations								
Forensic Sales Ledger Investigation	0.00	0.00	0.60	0.00	0.00	0.60	264.00	440.00
Realisation of Assets								
Freehold and Leasehold Property	1.00	0.00	1.00	0.00	0.00	2.00	1,090.00	545.00
Other Tangible Assets	2.00	0.00	0.00	0.00	0.00	2.00	1,300.00	650.00
Sale of business	1.00	0.00	8.00	0.30	0.00	9.30	4,227.00	454.52
Total Hours:	14.70	4.75	26.60	53.10	0.00	99.15		349.42
Total Fees Claimed: £	9,555.00	1,852.50	11,704.00	11,533.00	0.00		34,644.50	

Category 2 Disbursements:

108631 AFAN VALLEY LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/08/2019 to 15/08/2020

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	2.50	1.75	0.00	3.25	0.00	7.50	2,631.75	350.90
Cashiering & accounting	0.00	0.00	0.00	4.25	0.00	4.25	747.00	175.76
IPS set up & maintenance	0.00	0.00	0.00	0.50	0.00	0.50	57.50	115.00
Insurance	0.00	0.00	0.00	0.80	0.00	0.80	159.00	198.75
Statutory matters (Meetings & Reports & Notices)	1.30	4.50	8.25	61.70	0.00	75.75	17,723.25	233.97
Strategy planning & control	11.20	0.50	17.70	33.00	0.00	62.40	20,833.50	333.87
Creditors								
Communications with Creditors / Employees	2.50	0.00	2.00	29.80	0.00	34.30	8,189.00	238.75
Creditors committee	0.70	0.50	8.30	16.55	0.00	26.05	7,494.00	287.68
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	0.95	0.00	0.95	161.50	170.00
Secured Creditors	0.00	1.00	3.90	0.50	0.00	5.40	2,231.00	413.15
Investigations								
CDDA & reports & Communication	0.00	0.00	0.00	0.55	0.00	0.55	108.00	196.36
Financial review and investigations (S238/239 etc)	0.00	0.00	0.00	0.70	0.00	0.70	80.50	115.00
Forensic Sales Ledger Investigation	0.00	0.00	0.60	1.00	0.00	1.60	444.00	277.50
Realisation of Assets								
Freehold and Leasehold Property	1.00	0.00	1.00	6.50	0.00	8.50	2,535.00	298.24
Other Tangible Assets	15.00	0.00	0.00	0.00	0.00	15.00	9,390.00	626.00
Sale of business	1.00	0.25	14.80	0.30	0.00	16.35	7,081.75	433.13
Total Hours:	35.20	8.50	56.55	160.35	0.00	260.60		306.47
Total Fees Claimed: £	21,644.00	3,108.75	21,751.25	32,057.75	1,305.00		79,866.75	

Category 2 Disbursements:

Appendix 6 – Narrative of work carried out for the Reporting Period

The key areas of work have been:

SIP 9 narrative for the Reporting Period	
Administration and planning	<ul style="list-style-type: none"> • Monitoring and reviewing the Administration strategy; • Briefing staff on the Administration strategy and matters in relation to workstreams; • Regular case management and reviewing of process including regular team update meetings and calls; • Meeting with management to review and update strategy and monitor progress; • Reviewing and authorising junior staff correspondence and other work; • Dealing with queries arising during the appointment; • Reviewing matters affecting the outcome of the Administration; • Allocating and managing staff/ case resourcing and budgeting exercises and reviews; • Liaising with legal advisors regarding various instructions, including agreeing content of engagement letters; and • Complying with internal filing and information recording practices, including documenting strategy decisions.
Creditors	<ul style="list-style-type: none"> • Updating the list of Unsecured Creditors; • Responding to enquiries from Creditors regarding the Administration and submission of their claims; • Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records; and • Drafting the Proposals.
Investigations	<ul style="list-style-type: none"> • Managing and reviewing the Company books and records; • Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation; • Reviewing pre-appointment transactions; and • Documenting investigations.
Statutory and compliance	<ul style="list-style-type: none"> • Ensuring compliance with all statutory obligations within the relevant timescales; • Uploading information to the Creditors' Website; • Drafting and publishing the Proposals; • Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9; • Monitoring the fees estimate; and • Monitoring the expenses estimate.
Cashiering	<ul style="list-style-type: none"> • Preparing statutory receipts and payments accounts; and • Renewing bonding and complying with statutory requirements.
Asset realisations	<ul style="list-style-type: none"> • Collating information from the Company's records regarding assets; • Liaising with agents regarding the sale of assets; and • Reviewing outstanding debtors and management of debt collection strategy.

Appendix 7 – Statement of Creditors' rights

Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)

Section or paragraph numbers refer to Insolvency Act 1986

If you require a copy of any relevant rule or section, please contact Perry Eleftheriou at Perry.Eleftheriou@duffandphelps.com.

Information for Creditors on remuneration and disbursements of Administrators

Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/Creditor-guides-and-employee-fact-sheets>

(click on the document 'Administration (appointment from 1 October 2015)'). Should you require a copy, please contact this office.

Creditors' requests for further information.

If you would like to request more information about the Joint Administrators' remuneration and disbursements disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from Unsecured Creditors must be made with the concurrence of at least 5% in value of Unsecured Creditors (including, the Unsecured Creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by Unsecured Creditors (including the Unsecured Creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Perry Eleftheriou at this office.

Appendix 8 – Definitions

Word or Phrase	Definition
360 Mi	360 MI Limited, the holder of a legal charge over certain assets belonging to the Company.
the Act	The Insolvency Act 1986 (as amended)
the Appointment Date	16 August 2019, being the date of appointment of the Joint Administrators
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration.
the Company	Afan Valley Limited (In Administration) (Company Number: 10124182)
DBEIS	Department for Business, Energy & Industrial Strategy
the Director	Gavin Woodhouse, the sole director of the Company
Duff & Phelps	Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW
EC Regulation	EC Regulation on Insolvency Proceedings 2000
the Interim Managers	Philip Duffy and Sarah Bell of Duff & Phelps
the Joint Administrators	Philip Duffy and Sarah Bell of Duff & Phelps
the Land	Freehold land at Caerau Park Wood, Maesteg title no WA519567. Freehold land lying to the west of Glyncymmer Grange Brytwn Cymmer Port Talbot title no CYM471819.
Mr Mishon	Clive Mishon, the holder of a legal charge over certain assets belonging to the Company.
Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential creditors
the Proposals	The Joint Administrators Statement of Proposals issued to creditors on 11 October 2019
the Reporting Period	The period 16 February 2020 to 15 August 2020
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditors	360 Mi and Mr Mishon
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements

Appendix 9 – Notice about this report

This report has been prepared by Philip Duffy and Sarah Bell, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency Rules (England and Wales) 2016 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 purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of any financial interest in the Company or any other company in the same group.

Any estimated outcomes for Creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for Creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Philip Francis Duffy and Sarah Bell are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Duff & Phelps Ltd. does not assume any responsibility and will not accept any liability to any person in respect of this Progress Report or the conduct of the Administration.