



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

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) Robert

Surname Armstrong

3 Administrator's address

Building name/number The Shard

Street 32 London Bridge Street

Post town London

County/Region

Postcode S E 1 9 S G

Country United Kingdom

4 Administrator's name ①

Full forename(s) Andrew

Surname Knowles

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	<div><div>d</div><div>1</div></div>	<div><div>d</div><div>6</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>8</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>1</div></div>	
To date	<div><div>d</div><div>1</div></div>	<div><div>d</div><div>5</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>2</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>2</div></div>	

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's signature	<div>Signature</div> <div><div>X</div><div></div></div> <div><div>X</div></div>								
Signature date	<div><div>d</div><div>1</div></div>	<div><div>d</div><div>1</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>3</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>2</div></div>	

**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 **Kroll Advisory Ltd.**

Address **The Chancery**

58 Spring Gardens

Post town **Manchester**

County/Region

Postcode

M	2		1	E	W	
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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.

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

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Progress Report to Creditors

11 March 2022

Afan Valley Limited (In Administration)

*Joint Administrators' Progress Report for the period from 16 August 2021
to 15 February 2022*

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1. Introduction

As you are aware, Philip Duffy and Sarah Bell were appointed as Joint Administrators of the Company on the Appointment Date by order of the Court.

Following the Block Transfer Order passed in the High Court of Justice, Manchester District Registry, Chancery Division, No. 000356 of 2021, Robert Armstrong and Andrew Knowles replaced the Former Joint Administrators on 16 June 2021.

This Progress Report provides an update on the Administration of the Company.

The Joint Administrators have also explained the exit route from the Administration and the outcome for each class of Creditor.

You will find other important information in this final 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 Reporting Period.

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 second objective may not be achievable as there is no 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.

The Joint Administrators are pursuing the third objective 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.

The Joint Administrators Proposals were deemed approved by Creditors on 2 March 2021 without any modifications.

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

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.

At the date of this report, the charge remains outstanding. However, it was confirmed in the Original Administration 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 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 a distribution available to Mr Mishon following a sale of the Land.

Lien Holders

Where an investor has paid substantially all of the purchase price of a lease but not received a completed lease then they may hold an equitable lien in respect of the Land and this is classed as a form of security under the Act.

There is unlikely to be a distribution to the Lien Holders from the proceeds of sale of the Land after any secured entitlement of Mr Mishon has been accounted for. A further update will be provided in the next report.

Preferential Creditors

The Company did not employ any staff and therefore, there are not anticipated to be any preferential claims in the Administration.

Unsecured Creditors

Based on current information the Joint Administrators currently believe the Company will have insufficient property to enable a distribution to be made to Unsecured Creditors. However, as detailed below the Joint Administrators are assessing and reviewing claims against third parties which may result in funds being available for unsecured creditors.

Unsecured Creditor claims received to date totals £54,267.

Please note, this progress report provides Creditors with an account of the progress of the Administration of the Company in the Reporting Period. The Joint Administrators' 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 Perry.Eleftheriou@kroll.com.

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.

The Joint Administrators are continuing to liaise with the preferred interested party and the local authority for the sale and purchase of the Land, however, in order to not prejudice any future negotiations and any offers, no further information can be provided at this time. The Joint Administrators have continued to keep the Creditors' Committee apprised in regard to the negotiations.

A further update on any proposed sale will be provided in the next report or the investor updates as appropriate.

3.2 Asset realisations

Realisations during the Reporting Period are set out at Appendix 3.

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

3.2.1 Land

The Joint Administrators have exchanged contracts to sell the land and the IP of the project held by the Company.

The party purchasing this is Wildfox Resorts who are a reputable investment group that has the relevant expertise to develop & build the Afan Valley project and commercially take it forward. The purchaser is working with North Port Talbot Council and the Planning Team to ensure that final planning permission is gained along with negotiating the terms of the s.106 Agreement accompanying the planning permission. Conditional planning permission subject to further requirements has been issued by the Council.

The purchaser's offer is for the acquisition of the Land & project only and the purchaser does not wish to take on the investors' interests. The offer has been recommended to be accepted by independent agents, Sanderson Weatherall. Completion of the sale is expected to take place in March/April 2022.

3.2.2 Intercompany debts

According to the Company's books and records at the Appointment Date, there are several outstanding debts due to the Company from associated companies in the NPD Group.

As part of the detailed investigations carried out in the Original Administration, a full reconciliation of the intercompany position was completed and the total balance due is £5,800,000.

All of the associated companies are in formal insolvency processes, and it is uncertain whether any of the inter-company debts will be recoverable.

3.2.3 Investigations

The investigations into the wider NPD Group remain ongoing along with assessing recovery actions against former management and third parties and are inclusive of the Company. A further report in this respect may be submitted to the Insolvency Service upon exhaustion of all current avenues of enquiry.

The Joint Administrators have completed the analyses of the companies' bank accounts, to the extent that the required bank statement data could be obtained.

The Joint Administrators' investigations into the activities of the companies and the operation of the various investment schemes are ongoing in that further work continues to be required in the preparation of claims against third parties. In particular, analyses of email data and other communications are continuing.

The Joint Administrators have sought Counsel's advice on the merits of the claims from the ongoing investigations and the information gathered to date. The Joint Administrators have now received Counsel's opinion on certain claims against third parties. The Joint Administrators are assessing this advice with their lawyers and are liaising with litigation funders/insurers to assess these funding options.

As previously advised, the details of the claims remain highly confidential, and the Joint Administrators cannot give exact details of such claims as this may hamper any legal actions. A further update will be provided in the next report.

3.3 Costs

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

There have been no realisations or payments made in the Administration since the Appointment Date or during the Original Administration.

3.4 Fees and 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 Reporting Period but have not been paid are provided below:

Significant expenses incurred but not paid

Joint Administrators' time costs	£60,499	Total time costs incurred in the Reporting Period is £60,499 (see Appendix 5). No remuneration was paid during the Reporting Period. See section 6 for further details in relation to the Joint Administrators' fees.
Joint Administrators' specialist investigations time costs	£3,111	Total specialist investigations time costs incurred in the Reporting Period is £3,111 (see Appendix 5). No remuneration was paid during the Reporting Period. See section 6 for further details in relation to the Joint Administrators' fees.
Legal fees – Addleshaw Goddard	£31,347	The Company's legal advisors, Addleshaw Goddard have incurred legal fees of £31,347 in assisting with the negotiations regarding the sale of the Land and other ad-hoc legal matters that have arisen during the Administration.

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.

At the date of this report, the charge remains outstanding. However, it was confirmed in the Original Administration 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 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 a distribution available to Mr Mishon following a sale of the Land. It is also likely that there will be sufficient funds available to repay Mr Mishon's capital sums in full

under the security, however, the extent to which there will be sufficient funds available to repay any interest due is currently uncertain and subject to agreement with Mr Mishon.

Lien Holders

Where an investor has paid substantially all of the purchase price of a lease but not received a completed lease then they may hold an equitable lien in respect of the hotel property, and this is classed as a form of security under the Act.

There is unlikely to be a distribution to the Lien Holders from the proceeds of sale of the Land after any secured entitlement of Mr Mishon has been accounted for.

4.2 Preferential Creditors

The Company did not employ any staff and therefore, there are not anticipated to be any preferential claims in the Administration.

4.3 Unsecured Creditors

According to the Joint Administrators' Estimated Statement of Financial Position, Unsecured Creditors total £245,606.

Unsecured Creditor claims received to date total £54,267.

Based on current information the Joint Administrators currently believe the Company will have insufficient property to enable a distribution to be made to Unsecured Creditors. However, as detailed above the Joint Administrators are assessing and reviewing claims against third parties which may result in funds being available for Unsecured Creditors.

4.4 Prescribed Part

The Company is not subject to any floating charges and therefore, the Prescribed Part provisions will not apply.

5. Other matters

5.1 Decision procedure

A decision procedure is not being sought from Creditors as part of this report.

5.2 Creditors' Committee

A Creditors' Committee was formed in the Original Administration. The Creditors' Committee was not automatically transferred to the Administration and a new Creditors' Committee was required to be set up following the same process if creditors required such a committee to be set up.

The Joint Administrators received five nominations from creditors to act as members of the Creditors' Committee.

A Creditors' Committee has therefore been established in the Administration.

The statutory function of the Creditors' Committee is to assist the Joint Administrators with discharging their responsibilities, including the approval of:

- The basis of remuneration;
- The drawing category 2 disbursements;
- The payment of unpaid pre-Administration costs; and
- The discharge from liability of any actions taken as Joint Administrators.

Meetings of the Creditors' Committee will take place at the request of the members of the Committee.

There are currently no future meetings scheduled at the date of this report.

5.3 Joint Administrators' Receipts and Payments account

A detailed Receipts and Payments Account for the Reporting 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 expenses of the Joint Administrators, including Creditors' rights to challenge such costs is provided at Appendix 7, Statement of Creditors' Rights.

6. Fees, Expenses and Pre-Administration costs

6.1 Fees and expenses

6.1.1 Time costs

It was proposed that the Joint Administrators' fee basis was based on time costs and remuneration will be drawn on the basis of time properly given by the Joint Administrators and their staff in accordance with the revised fee estimate and Kroll's usual charge-out rates for work on this nature.

As previously detailed, the Joint Administrators proposed to seek approval for their remuneration from the Secured Creditor. This may include investors where an investor has paid substantially all of the purchase price of a lease but not received a completed lease as they may hold an equitable lien and this is classed as a form of security under the Act.

The amount proposed to be drawn in fees by the Joint Administrators over the life of the case will be calculated and provided in due course. The total amount estimated effectively acts as a cap on the level of fees to be drawn by the Joint Administrators (although amended estimates can be circulated later but will be subject to additional approval by the relevant parties).

The Joint Administrators have made an application to Court for the approval of Current Administration remuneration. The order of Chief Insolvency and Companies Court Judge Briggs made in June 2021 (detailed below) directed that this application be heard at the same time as the application made in the Original Administration. If you would like details of that hearing please contact the Joint Administrators to request this.

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 £60,499, which represents 131 hours at an average hourly rate of £463.

Time costs incurred during the life of the Administration total £183,990, which represents 426 hours at an average hourly rate of £432.

Specialist investigations time costs incurred in the Reporting Period total £3,111, which represents 5 hours at an average hourly rate of £610.

Specialist investigations time costs incurred during the life of the Administration total £28,461, which represents 63 hours at an average hourly rate of £452.

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.

Creditors will note that Appendix 5 includes time incurred during this Administration which was erroneously posted to the Original Administration time code. The time incurred has been included in the figures detailed above. The Administrators will arrange for this time to be transferred to the new time code imminently.

Original Administration

Total time costs incurred in the Original Administration total £184,750. This was previously reported as £184,113 however after further analysis and reconciliation, the total time costs are confirmed at £184,750. No fees were drawn in the Original Administration and as previously advised the Joint Administrators, with the assistance of Addleshaws, made an application to Court for the approval of the basis of the Joint Administrators' fees and fee estimate.

The application made a further request of the Court to make provision for how to fix the quantum of the Joint Administrators' fees. The Joint Administrators were legally obliged to make the application as the relevant Creditors did not approve the fee estimate despite the Joint Administrators offering to agree their fees on a reduced basis. At the time of the retrospective appointment of the administrators the Court also ordered that such fee approval applications were to be made by 29 January 2021.

An initial one-hour directions hearing took place on 15 June 2021 and, in line with the Joint Administrators' request, the Court adjourned the applications so that they can be considered on an efficient basis next year once more information regarding the outcome of the Administration is known. These applications will now be listed for a further directions hearing on the next available date after 7 March 2022. That hearing will consider whether the investigations work that the Joint Administrators have carried out should be considered separately to the case specific work in each Administration of the NPD Group, and whether the Court should hear the fee approval application made in each Administration together or whether each company should be considered separately. As set out above, the application made in the Current Administration will also be heard at the same time as these matters are dealt with.

As Creditors are aware there are extensive investigations being carried out across the whole of the NPD Group, the adjournment will provide sufficient time to not only allow for assets to be realised but also for litigation claims against the NPD Group's advisors to be progressed.

The Court ordered that the costs of the application rank as an expense of the Administration. It also ordered that Philip Duffy and Sarah Bell will be discharged from liability as administrators in the Original Administration at the same time as the Joint Administrators are discharged from liability in this Administration.

The Joint Administrators will provide further updates as and when this matter has progressed. Under the order made by the Court, Creditors are entitled to request details from the Joint Administrators of future hearings relating to this matter.

Joinder application

At the hearing on 15 June 2021, over 50 investors, represented by Alastair Dobbie of Shortlands made an application to be joined as parties to the Joint Administrators' fee approval applications. Following adverse judicial comment from Chief Insolvency and Companies Court Judge Briggs, this application was withdrawn, and a costs order was made against Shortlands' clients in favour of the Joint Administrators which was subsequently paid by Shortlands' clients during the period to which this report relates.

The purpose of the Shortlands application had been for one or a small number of investors to be appointed as representatives of all investors or categories of investors across the NPD Group and for their costs, in particular the legal costs of Shortlands, to be paid as an expense of the Administrations, in priority to the claims of Creditors.

During the course of the hearing, counsel, instructed by Shortlands, revised the application so that a representation order was sought in respect of only the (then) 52 clients he represented. He confirmed however, that his clients only wished to proceed with the application on the condition that their legal costs were paid as an expense of the Administration.

The judge found that the Shortlands application was misconceived and without legal basis. He considered that the condition that Shortlands' clients' costs should be paid as an expense of the Administration was objectionable to the system of class remedy in insolvency proceedings as it would allow those investors to jump ahead of other creditors in the order of priority to the extent of an unknown amount of costs.

6.1.2 Fees

No remuneration has been drawn by the Joint Administrators during the Reporting Period.

6.1.3 Expenses

Expenses are any payments from the Administration which are neither an Administrator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are payments which are first met by the Administrator and then reimbursed to the Administrator from the Administration.

Expenses are divided into those that do not need approval before they are charged to the Administration (Category 1) and those that do (Category 2).

Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the Administrator.

Category 2 expense are payments to associates or which have an element of shared costs and require approval from Creditors in the same manner as the Administrator's remuneration, whether paid directly from the estate or as a disbursement.

The Joint Administrators provided in their Proposals report to Creditors an estimate of expenses for the Administration, totalling £194,848. This was for information purposes only and could possibly change over the course of the Administration.

Appendix 4 details the current update of the expenses estimate.

Creditors should also note that the expenses incurred in the Original Administration will rank as an expense in this Administration. As such, Appendix 4 also details the cumulative expenses incurred in the Original Administration.

Appendix 4 also details the expenses incurred and paid for the Reporting Period and the whole of the Administration to 15 February 2022.

In the Reporting Period, Category 1 expenses of £51,975 were incurred. No Category 1 expenses have been paid.

In the same period, no Category 2 expenses were incurred or paid.

For the whole period of the Administration to 15 February 2022, Category 1 expenses incurred totalled £185,566. No Category 1 expenses have been paid.

Category 2 expenses incurred for the same period totalled £425. No Category 2 expenses have been paid.

Creditors should note that after further consultation with Hewlett Swanson regarding their time costs incurred, these figures have been revised to £3,010 over the life of both this Administration and the Original Administration.

6.1.4 Additional information

Also attached at Appendix 6 is a narrative summary of the work carried out to assist cCreditors 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 expenses 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.

The Joint Administrators have not incurred any pre-Administration costs or expenses.

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. This will include but not be limited to:

- Paying the outstanding costs of the Administration;
- Completing a sale of the Land and distributing funds to the Secured Creditors of the Company as applicable; and
- Dealing with other statutory matters and duties including accounting for VAT and completing corporation tax returns.

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.

As previously reported, the Joint Administrators applied to the Court to request that the period of the Administration be extended by 12 months to 15 August 2022 for the following reasons:

- The Joint Administrators are continuing with their negotiations with interested parties regarding a sale of the Land; and
- The Joint Administrators continue to investigate the affairs of the Company and its former management.

The Court subsequently granted the request to extend the Administration by a period of 12 months on 13 August 2021.

A notice of the extension is available for viewing and downloading from the Kroll website <https://micro.kroll.com/ukrestructuring>.

If you would prefer to be sent a paper copy, please contact Perry Eleftheriou of this office.

7.3 Future reporting

The Joint Administrators will provide a further progress report within one month of 15 August 2022 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 of this office.



Robert Armstrong
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Robert Armstrong and Andrew Knowles, 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(s)	Gavin Woodhouse	
Company Secretary	None Appointed	
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 Kroll Advisory Ltd. The Chancery 58 Spring Gardens Manchester M2 1EW	Former: Unit D2 Elland Riorges Link Lowfields Business Park Elland HX5 9DG
Any Other trading names	N/A	

ADMINISTRATION INFORMATION

Administration Appointment	The Administration appointment granted in High Court of Justice, 4486 of 2020	
Appointor	Court	
Date of Appointment	16 August 2020	
Former Joint Administrators	Philip Duffy and Sarah Bell	
Joint Administrators	Robert Armstrong and Andrew Knowles	
Original purpose	Realising property in order to make a distribution to one or more Secured or Preferential Creditors.	
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 2022
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.

Notes

Creditors will note that the approved proposals detail the names of the Former Joint Administrators. It is intended that the current Joint Administrators would act as Joint Liquidators of the Company should the Company be placed into Creditors' Voluntary Liquidation.

Appendix 3 – Receipts and Payments account

Afan Valley Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 16/08/2021 To 15/02/2022 £	From 16/08/2020 To 15/02/2022 £
	NIL	NIL
REPRESENTED BY		NIL

Appendix 4 – Analysis of Expenses Incurred

Joint Administrators' Expenses: comparison with estimate

Expenses	Original expenses estimate £	Actual expenses incurred in the Reporting Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Agents' fees – Sanderson Weatherall	20,685	-	8,685	
Bank Charges	500	-	-	
Bonding	20	-	245	Bonding of £225 has been incurred in the Administration. A further bonding fee of £20 was incurred in the Original Administration.
Insurance	2,840	-	840	
Legal costs – Addleshaw Goddard	-	31,347	94,199	Addleshaw Goddard have incurred costs in dealing with the sale of the Land, the Court application to extend the Administration and the retrospective appointment and assistance with ad-hoc legal matters that have arisen during the Administration.
Legal costs – Hewlett Swanson	81,255	860	3,010	
Category 2 Expenses	712	-	425	
Professional fees – 360 Mentor Marcoms & Investments Limited	88,731	18,088	76,819	
Statutory Advertising	105	-	87	
TOTAL	194,848	50,295	184,310	

Notes

The above costs exclude VAT.

NB – after further consultation with Hewlett Swanson regarding their time costs incurred in dealing with the Administration, these figures have been revised as above.

Joint Administrators' Expenses: Category 1 and Category 2

Category 1 Expenses		Fee Basis	Reporting Period		Cumulative period	
Company	Activity		Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Hewlett Swanson	Legal fees	Time costs	860	-	3,010	-
Addleshaw Goddard	Legal fees	Time costs	31,347	-	94,199	-
AON	Statutory bond premium	Fixed fee	-	-	245	-
Insolvency Risk Services	Asset insurance	Fixed fee	1,680	-	2,520	-
Clive Mishon	Professional fees	Contingent Basis – Time costs	18,088	-	76,819	-
Courts Advertising	Statutory advertising	Fixed fee	-	-	88	-
Sanderson Weatherall	Agents' fees	Time costs	-	-	8,685	-
Total			51,975	-	185,566	-

Category 2 Expenses		Fee Basis	Reporting Period		Cumulative period	
Company	Activity		Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Kroll	Travel costs	As incurred	-	-	418	-
Kroll	Subsistence costs	As incurred	-	-	7	-
Total			-	-	425	-

Notes

The above costs exclude VAT.

Creditors should also note that the expenses incurred in the Original Administration have been carried over into this retrospective Administration. Such expenses are detailed under the "Cumulative Period" of the above table together with any expenses incurred in the Reporting Period.

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 the basis of their fee.

Kroll, being the employer of the Joint Administrators and the staff working on the Administration, is considered an associate of the Administrators.

It is considered that these expenses are fair and reasonable and proportionate to the Administration.

Appendix 5 – Analysis of time charged

Joint Administrators' Fees

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

130720 AFAN VALLEY LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/08/2021 to 15/02/2022

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	0.00	0.00	0.00	1.15	0.00	1.15	257.50	223.91
Cashiering & accounting	0.00	0.00	1.50	0.20	0.00	1.70	717.50	422.06
IPS set up & maintenance	0.00	0.00	0.00	0.15	0.00	0.15	28.50	190.00
Statutory matters (Meetings & Reports & Notices)	0.70	13.85	2.40	18.00	0.00	34.95	11,444.50	327.45
Strategy planning & control (incl engagement financial control)	0.00	0.00	0.00	14.65	0.00	14.65	3,110.50	212.32
Tax Compliance / Planning	0.00	0.25	0.00	2.35	0.00	2.60	685.00	263.46
Creditors								
Creditors committee	0.00	0.25	0.00	0.20	0.00	0.45	150.50	334.44
Dealings with creditors and employees	0.00	6.10	0.00	3.85	0.00	9.95	4,245.00	426.63
Secured Creditors	0.00	2.90	0.00	0.00	0.00	2.90	1,725.50	595.00
Realisation of Assets								
Freehold and Leasehold Property	9.20	52.20	0.00	0.70	0.00	62.10	38,134.00	614.07
Total Hours:	9.90	75.55	3.90	41.25	0.00	130.60		463.24
Total Fees Claimed: £	7,425.00	42,625.50	1,459.50	8,988.50	0.00		60,498.50	

130720 AFAN VALLEY LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/08/2021 to 15/02/2022

CVL Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
	0.00	5.10	0.00	0.00	0.00	5.10	3,111.00	610.00
Total Hours:	0.00	5.10	0.00	0.00	0.00	5.10		610.00
Total Fees Claimed: £	0.00	3,111.00	0.00	0.00	0.00		3,111.00	

130720 AFAN VALLEY LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/08/2020 to 15/02/2022

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	1.00	0.00	0.00	2.85	0.00	3.85	1,202.50	312.34
Cashiering & accounting	0.00	0.10	1.60	1.40	0.00	3.10	1,103.00	355.81
IPS set up & maintenance	0.00	0.00	0.00	0.65	0.00	0.65	103.50	159.23
Insurance	0.00	0.00	0.00	0.25	0.00	0.25	62.50	250.00
Statutory matters (Meetings & Reports & Notices)	0.70	18.70	2.40	23.35	0.00	45.15	14,877.50	329.51
Strategy planning & control (incl engagement financial control)	9.50	3.95	0.00	43.20	0.00	56.65	17,372.50	306.66
Tax Compliance / Planning	0.00	0.50	0.00	3.90	0.00	4.40	1,160.00	263.64
Creditors								
Creditors committee	0.00	0.25	0.00	10.25	0.00	10.50	2,663.00	253.62
Dealings with creditors and employees	0.00	18.20	0.00	10.85	0.00	29.05	13,194.50	454.20
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	1.20	0.00	1.20	300.00	250.00
Secured Creditors	0.00	4.40	0.00	0.00	0.00	4.40	2,618.00	595.00
Realisation of Assets								
Freehold and Leasehold Property	9.20	95.90	0.00	1.75	0.00	106.85	64,348.00	602.23
Total Hours:	20.40	142.00	4.00	99.65	0.00	266.05		447.30
Total Fees Claimed: £	14,250.00	81,187.50	1,504.00	22,063.50	0.00		119,005.00	

130720 AFAN VALLEY LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/08/2020 to 15/02/2022

CVL Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
	0.00	15.30	0.00	0.00	4.00	19.30	10,353.00	536.42
Total Hours:	0.00	15.30	0.00	0.00	4.00	19.30		536.42
Total Fees Claimed: £	0.00	9,333.00	0.00	0.00	1,020.00		10,353.00	

108631 AFAN VALLEY LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/08/2020 to 04/01/2022

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	1.00	0.50	0.00	0.10	0.00	1.60	864.00	540.00
Cashiering & accounting	0.00	0.00	0.00	1.75	0.00	1.75	292.50	167.14
IPS set up & maintenance	0.00	0.00	0.00	1.25	0.00	1.25	187.50	150.00
Statutory matters (Meetings & Reports & Notices)	1.00	4.25	0.30	14.25	0.00	19.80	5,264.00	265.86
Strategy planning & control (incl engagement finan	7.00	0.00	0.00	19.40	0.00	26.40	8,726.00	330.53
Tax Compliance / Planning	0.00	0.10	0.00	0.95	0.00	1.05	221.50	210.95
Creditors								
Creditors committee	0.00	0.00	4.30	1.65	0.00	5.95	2,605.50	437.90
Dealings with creditors and employees	0.00	0.00	13.40	23.40	0.00	36.80	13,075.50	355.31
Secured Creditors	0.00	0.00	3.50	0.75	0.00	4.25	1,908.50	449.06
Investigations								
Forensic Sales Ledger Investigation	0.00	0.00	0.70	0.00	0.00	0.70	357.00	510.00
Realisation of Assets								
Freehold and Leasehold Property	0.00	0.00	11.40	4.90	0.00	16.30	7,720.00	473.62
Sale of business	0.00	0.00	44.00	0.00	0.00	44.00	23,762.50	540.06
Total Hours:	9.00	4.85	77.60	68.40	0.00	159.85		406.53
Total Fees Claimed: £	5,850.00	1,891.50	42,201.00	15,042.00	0.00		64,984.50	

106396 AFAN VALLEY LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/08/2020 to 24/03/2021

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
	0.00	19.60	2.00	0.00	21.70	43.30	18,108.00	418.20
Total Hours:	0.00	19.60	2.00	0.00	21.70	43.30		418.20
Total Fees Claimed: £	0.00	11,834.50	740.00	0.00	5,533.50		18,108.00	

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;• Liaising with the Creditors' Committee;• Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records; and• Drafting progress statutory progress reports.
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;• Obtaining records from third parties;• 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 progress reports;• 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
- Preparing statutory receipts and payments accounts; and
 - Renewing bonding and complying with statutory requirements.
- Asset realisations
- Collating information from the Company's records regarding assets;
 - Liaising with finance companies in respect of assets subject to finance agreements; and
 - Liaising with agents, solicitors and interested parties, regarding the sale of the Land.
- Tax
- Analysing and considering the tax effects of asset sales;
 - Working on tax returns relating to the periods affected by the Administrator;
 - Analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements; and
 - Dealing with post appointment tax compliance.

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@kroll.com.

Information for Creditors on remuneration and expenses of Administrators

Information regarding the fees and expenses of Administrators, including details of the expenses policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "Administration: A Creditor's Guide to Insolvency Practitioner Fees". This can be viewed and downloaded from the website at:

<https://www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets>

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 expenses 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 are 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 Kroll Advisory Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

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)
Addleshaws	Addleshaw Goddard LLP, solicitors instructed to assist with the sale of the Land, the Court application to extend the Administration and other ad-hoc legal matters that have arisen in the Administration.
the Appointment Date	16 August 2020 being the date of appointment of the Joint Administrators
Block Transfer Order	Block Transfer Order (High Court of Justice, Business & Property Courts in Manchester CR-2021-MAN-000356) obtained on 16 June 2021 which provided for the formal substitution of Philip Duffy and Sarah Bell from office and the appointment of the Joint Administrators.
Category 1 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to persons providing the service to which the expense relates and who are not an associate of the Administrator. These expenses can be paid without prior approval
Category 2 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to associates or where there is an element of shared costs. Such expenses require approval by creditors before payment
the Company	Afan Valley Limited (In Administration) (Company Number: 10124182)
the Director	Gavin Woodhouse – sole director of the Company
EC Regulation	EC Regulation on Insolvency Proceedings 2000
Former Joint Administrators	Philip Duffy and Sarah Bell of Kroll
Giant	Giant Hospitality Limited (In Administration) (Company Number: 09589283)
Interim Managers	Philip Duffy and Sarah Bell of Kroll, appointed Interim Managers of NPD on 7 July 2019 and Giant on 12 July 2019 by order of the Court
the Joint Administrators	Robert Armstrong and Andrew Knowles of Kroll

Kroll	Kroll Advisory Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW
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.
NPD	Northern Powerhouse Developments Limited (In Administration) (Company Number: 09940469)
NPD Group	The group of companies associated with NPD
the Original Administration	16 August 2019 to 15 August 2020, being the period of appointment of the Former Joint Administrators
the 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 Unsecured Creditors
the Reporting Period	16 August 2021 to 15 February 2022
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
Sanderson Weatherall	Sanderson Weatherall LLP, independent agents who were instructed to value and assist with the sale of the Land
the Secured Creditors	360 Mi and Mr Mishon
the Solicitors / Hewlett Swanson	Hewlett Swanson Limited, solicitors instructed to assist with the appointment of Administrators, the investigations into the Company and ad-hoc legal matters that have arisen during the Administration
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 Robert Armstrong and Andrew Knowles, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency (England and Wales) Rules 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 (England and Wales) Rules 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.

Robert Armstrong and Andrew Knowles 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, Kroll Advisory 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.