

AM03

Notice of administrator's proposals



Companies House

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#119

COMPANIES HOUSE

1 Company details

Company number 1 0 4 5 3 7 1 5

Company name in full Prosperity Cathedral View Development Ltd

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

2 Administrator's name

Full forename(s) Colin David

Surname Wilson

3 Administrator's address

Building name/number Opus Restructuring LLP

Street 1 Radian Court

Knowlhill

Post town Milton Keynes

County/Region

Postcode M K 5 8 P J

Country

4 Administrator's name

Full forename(s) Trevor John

Surname Binyon

• **Other administrator**
Use this section to tell us about
another administrator.

5 Administrator's address

Building name/number Opus Restructuring LLP

Street 1 Radian Court

Knowlhill

Post town

County/Region London

Postcode M K 5 8 P J

Country

• **Other administrator**
Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

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Statement of proposals



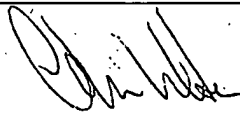
I attach a copy of the statement of proposals

7

Sign and date

Administrator's
Signature

Signature



Signature date.

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AM03

Notice of Administrator's Proposals



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.

Colin David Wilson

Opus Restructuring LLP

1 Radian Court

Knowlhill

Milton Keynes

Postcode

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DX



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Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

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1 Appointment type

Tick to show the nature of the appointment:

- ☐ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

ⓘ You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Surname

3 Insolvency practitioner's address

Building name/number

Street

Post town

County/Region

Postcode

Country

High Court of Justice Court

No.000475 of 2020

**Prosperity Cathedral View
Development Ltd - In Administration
("the Company")**

The Joint Administrators' Proposal

**Colin David Wilson and Trevor John Binyon
Joint Administrators
Opus Restructuring LLP
1 Radian Court
Knowlhill
Milton Keynes
MK5 8PJ
01908 087220
info@opusllp.com**

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1. Executive Summary

- 1.1 This Proposal incorporates the Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act attached at Appendix I.
- 1.2 The Company was incorporated on 31 October 2016 and its principal activity was the development of building contracts.
- 1.3 On 4 May 2020, Colin David Wilson and Trevor John Binyon of Opus Restructuring LLP were appointed Joint Administrators of the Company by one of the Company's Qualifying Floating Charge Holders, Maslow 2 Limited ("Maslow").
- 1.4 The Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either one or both of them. For creditors' general information, the EU Regulation on insolvency proceedings applies in this case, and these proceedings are the main proceedings.
- 1.5 As explained in more detail in the Statement of Proposals, the Joint Administrators are currently pursuing the third statutory objective of realising property in order to make a distribution to one or more secured creditors.
- 1.6 A summary of the current and anticipated future positions are detailed below;

Asset	Realisations to date	Anticipated future realisations	Total anticipated realisations
Cash at Bank	4,988	0	4,988
Bank Interest Gross	0	100	100
The Croft ("the Property") (i)	0	21,300,000	21,300,000
Rent	0	Uncertain	Uncertain
Chattels/equipment/furniture (ii)	0	225,000	225,000

Expense	Expenses paid to date	Anticipated expenses to be paid	Total anticipated expense paid
Joint Administrators' fees (iii)	0	111,225	111,225
Joint Administrators' fees (percentage) (iii)	0	215,000	215,000
Joint Administrator' disbursements	0	963	963
Joint Administrators' pre-appointment fee (iii)	0	8,775	8,775
Legal fees (post appointment)	0	80,000	80,000
Legal disbursements	0	250	250
Agents' fees – setup fee and initial negotiations with Council	0	15,000	15,000
Agents' fees – marketing and sale	0	113,000	113,000
Agents' fees – independent valuation	0	10,000	10,000
Agents' fees – chattel valuation	0	7,500	7,500
Agents' fees – tax advisor	0	15,000	15,000
Insurance	0	19,989	19,989
Advertising	0	189	189
Specific Bond	0	950	950
Document Storage	0	120	120
Case management software and website document access	0	230	230

Dividend prospects	Distribution / dividend paid to date	Anticipated distribution / dividend
Secured creditors (fixed charge)	NIL	20,955,729
Secured creditor (floating charge)	NIL	NIL
Preferential creditors	N/A	N/A
Unsecured creditors (prescribed part only)	NIL	Uncertain

Notes:

- (i) This value is based on the last valuation of the Property from December 2018. COVID 19 lockdown has prevented an up to date valuation being undertaken.
- (ii) This is based on 25% of the like for like value of the assets
- (iii) Please see section 3 of the proposal for further information

1.7 The Statement of Proposals at Appendix I provides explanations of the events leading to the Administration and the progress of the Administration to date, as well as other statutory information.

1.8 This Proposal provides more detailed information on the work that the Joint Administrators anticipate they will undertake to complete the Administration together with their proposed basis of fees. To put this request into context, this Proposal provides further information on the Joint Administrators' costs to date, including the costs incurred prior to Administration. It also explains other matters for creditors' consideration, such as the proposed timing of the Joint Administrators' discharge on conclusion of the Administration.

1.9 Definitions of the terms used in this Proposal are provided in Appendix I together with all statutory information pertaining to the Company.

2. Statement of Pre-Administration Costs

2.1 On 4 May 2020, Maslow agreed with the proposed Joint Administrators' that Opus Restructuring LLP be paid a fee for the work carried out prior to the Administration and for the Administration. This fee is fixed at £120,000.00 plus VAT and related expenses for the tasks and matters that were considered to be necessary in placing the Company into Administration and their work carried out during the Administration.

2.2 Attached at Appendix II is a breakdown of the time costs of the Joint Administrators and their staff incurred prior to Administration and included within Appendix III are Opus Restructuring LLP's charge-out rates and bases of disbursements.

2.3 It should be noted the above pre-Administration costs remain unpaid.

2.4 The payment of the unpaid pre-Administration costs will be an expense of the Administration which is subject to approval under Rule 3.52 of the Rules and is not part of the Statement of Proposals subject to approval under Paragraph 53 of Schedule B1 of the Act. Further explanation of the approval process is provided in Section 7.

3. The Joint Administrators' Fees

3.1 The Joint Administrators propose to fix their fees on the following basis:

(i) The Joint Administrators fees, both pre and post appointment, will be capped at £120,000 plus VAT and disbursements, in relation to realisations up to £17,000,000; and.

(ii) If there are any realisations achieved above £17,000,000, the Joint Administrators will draw 5% on the balance above £17,000,000 which has been achieved; however

(iii) In the event of a refinance and/or share purchase made by the directors via a third party vehicle, the Joint Administrators seek to draw a fee of 2% of the total redemption figure.

3.2 Attached at Appendix IV is a breakdown of the time costs incurred in the Administration to 10 June 2020. The Statement of Proposals provides an account of the work undertaken to date and Appendix V provides a detailed list of work undertaken and proposed to be undertaken by the Joint Administrators and their staff.

3.3 The charge-out rates of the Joint Administrators and their staff are detailed in Appendix III. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and claims being agreed. The grades of staff instructed to assist in this matter and their key responsibilities include:

- Support Staff: maintenance of the creditors' contacts database, assisting with creditors' queries and routine correspondence.
- Administrators: assisting in the realisation of assets, liaising with creditors, preparing reports to creditors and other statutory matters, assisting with all trading aspects, and managing the cashing function.
- Managers: reviewing the Company's position and affairs, handling asset realisations, leading all trading aspects, reviewing draft statutory reports to creditors and overseeing the tax and VAT aspects of the case

3.4 Creditors may access a Guide to Administrators' Fees at https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Oct_2015.pdf or a hard copy will be provided on request.

3.5 Further information is set out below, and in the appendices, to explain the future time costs that the Joint Administrators anticipate incurring in this Administration.

4. The Joint Administrators' Expenses

4.1 The Joint Administrators' expenses may be divided into two categories:

- Category 1 expenses are costs that can be specifically identified as relating to the administration of the case. These are charged to the estate at cost with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums and properly reimbursed expenses. Legislation provides that administrators may discharge Category 1 expenses from the funds held in the insolvent estate without further recourse to creditors.
- Category 2 expenses are costs that are also directly referable to the appointment in question but not to a payment to an independent third party.

Payments may only be made in relation to Category 2 expenses after the relevant creditors have approved the bases of their calculation.

4.2 Appendix III provides details of the bases of Category 2 expenses that the Joint Administrators propose to recover from the insolvent estate.

5. Proposed Work to be Undertaken

5.1 Set out in Appendix V is a detailed list of tasks that the Joint Administrators propose that they and their staff will undertake together with their estimates of the time these tasks will take to carry out in total. The most material tasks are summarised below. The Estimated Outcome Statement attached to the Statement of Proposals provides an overview of the financial benefit that this work is expected to bring to creditors.

Administration (including Statutory Reporting)

5.2 The Joint Administrators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the Administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.

5.3 Primarily, these tasks include:

- Meeting all statutory reporting and filing requirements, including 6-monthly reports, seeking an extension where necessary, and issuing a final report and notices;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the Administration and any decisions made by the Joint Administrators that materially affect the Administration;
- Conducting periodic case reviews to ensure that the Administration is progressing efficiently, effectively and in line with the statutory requirements; and
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

Investigations

5.4 The Joint Administrators examine the conduct of the Company and its directors prior to the Administration with two main objectives:

- To identify what assets are available for realising for the benefit of creditors, including any potential actions against directors or other parties, such as challenging transactions at an undervalue or preferences; and
- To enable the Joint Administrators to report to the Insolvency Service on the conduct of the directors so that the Insolvency Service may consider whether disqualification proceedings are appropriate.

5.5 In the early stages of the Administration, this work involves examining the Company's books and records, considering information received from creditors and the Company's accountants and seeking information from the Company's directors and other senior staff by means of questionnaires and/or interviews.

5.6 In the event that questionable transactions are identified, it may be necessary to conduct further investigations and instruct solicitors to assist in deciding the Joint Administrators' next steps in pursuing a recovery. If a potential recovery action is identified, it may be necessary to instruct professional agents in gathering evidence

and in exploring further the existence and value of assets to target. If the Joint Administrators encounter resistance in making a recovery, formal legal action may be appropriate.

- 5.7 In addition, if the Insolvency Service decides to proceed with a disqualification, the Joint Administrators will be required to assist the Insolvency Service's investigators in their work, which may include providing the investigators with access to the Company's books and records and agreeing statements to be given in evidence of those proceedings.
- 5.8 At this early stage, it is difficult to estimate the likely time costs and expenses that may be incurred in this work. The Fees and Expenses Estimates presented below reflect the anticipated work in identifying potential causes of action. If any are identified and the Joint Administrators consider that additional work is required, they may revert to the relevant creditors to seek approval for fees in excess of the estimate.

Realisation of assets

- 5.9 The Statement of Proposals summarises the work carried out by the Joint Administrators to date in realising the Company's assets. The principal matters that require further work are:
- Liaising with the instructed agent and interested parties in relation to a sale of the Property;
 - Liaising with the instructed solicitors in relation to a sale of the Property;
 - If necessary, collecting any deferred consideration for the sale of the assets as and when it becomes due;
 - If necessary, monitoring the purchaser's licence to trade/occupy;
 - Formally progressing a sale of the Company's assets;
 - Establishing whether there are any sums due in respect of the directors' loans/inter-company balances and pursuing settlement of these;
 - When concluding a sale of the Company's chattel assets, ensuring that any retention of title claims have been dealt with; and
 - Maintaining appropriate insurance cover on the Company's assets until they have been disposed of.

Trading

- 5.10 The Company's main asset is the Property (known as 'The Croft'), a new build purpose-built student accommodation facility in the centre of Derby. There were c.100 students still in occupation of their accommodation upon appointment. The building was completed in late April 2019 and therefore only 174 rooms had been rented out of 326 for the 2019/20 academic year. Most students are based at Derby University. The building was managed by Host-Students, contracted by another Prosperity company, Cathedral View (The Croft) Limited. ('CVTC') This company is a wholly owned subsidiary of PCVD. However, the Joint Administrators are not appointed, or advising, in relation to the subsidiary.
- 5.11 At this stage, it is important to mention that at the time of appointment, the United Kingdom ("UK") was being effected by a global pandemic, that being COVID-19 (otherwise known as Coronavirus), and the UK Government had enforced a nationwide 'lock-down' permitting the general public from travelling other than for work which they could not do from home and only being able to leave their homes for short periods of time for exercise, any medical reasons and to shop for essential items.

5.12 At appointment, the management of the building by Host-Students, contracted to another company was problematic, both practically and legally. However, after significant negotiations had taken place, Host-Students agreed to vacate the building following a managed and orderly handover to alternative operator, a student management company, Homes for Students were engaged under contract in 4 June 2020. The latter have, overall, lower costs of operation to the previous operator and the orderly handover has assisted in avoiding significant potential legal costs and general disruption to the operation of the accommodation. Maslow, under their security, have agreed to advance funds to cover certain costs of Host-Students which were incurred during their contractual period. It was also agreed with Maslow that those students still in their accommodation could remain at the Property until such time as it was sold. It should be noted that many students left their accommodation prior to the above mentioned 'lock-down', hence the smaller number remaining in occupation at the Property.

5.13 This approach meant that the Company would continue to trade during the Administration, maintaining the safety for the students and allowing normal trading of the accommodation during the Administration. This was determined as likely to achieve a higher realisable value rather than leaving the property vacant. However, due to current COVID 19 issues it is not anticipated there will significant student rental funds received during the summer and the prospects for students arriving for the 2020/21 academic year are uncertain at the time of writing.

5.14 Detailed below are some of the key elements encountered by the Joint Administrators when trading the Company:

- Ensuring all student residents' agreements are adhered to;
- Continuing to provide the student accommodation as per those agreements;
- Ensuring the new managing agent is able to continue providing their service in relation to the accommodation;
- Liaising with a new managing agent in order to save on costs and ensure continuity of service;
- Monitoring Homes for Students management reports, supervising key issues in the operation and funding such costs out of a funding agreed by Maslow.
- Agreeing a funding from Maslow under its current security.
- Completing work and terminating the contract with previous managing agent;
- Liaising with the managing agent and Maslow in relation to the ongoing costs;
- Ensuring that the managing agent is adhering to Government guidelines in relation to COVID-19;
- Preparing cash flow forecasts and liaising with Maslow in respect of the costs which will need to be met via funding agreement with them and the Joint Administrators;
- Ensuring that the Company insurance policy is sufficient;
- Liaising with the local council in relation the Property;
- Settling post-appointment accounts with suppliers via the managing agents;
- Ensuring that when a purchaser is found that there will be a smooth transition of the sale of the Property and chattels; and
- In due course, concluding all trading accounts.
- Preparing tax returns as appropriate and obtaining specialist tax advice, when needed.
- Preparing an Administration profit & loss account for creditors at subsequent reporting dates.

Creditors (claims and distributions)

5.15 As the Statement of Proposals explains, there a number of different classes of creditor involved in the Administration that require the Joint Administrators' attention. In particular; the Joint Administrators anticipate conducting the following key tasks:

- Liaising with the secured creditors in relation to the sale of assets subject to their security;
- With the assistance of solicitors, examining the validity of the secured creditors' claims and paying distributions to the secured creditors;
- Reviewing claims submitted by any tax department and, where it is appropriate, examining the Company's records to appeal assessments or adjudicate on the Crown's claims;
- Responding to creditors' queries and logging their claims and supporting information;
- Maintaining the database as regards creditors' contact details and claims;
- If a prescribed part dividend is to be paid in the Administration, adjudicating on all unsecured creditors' claims, including seeking further information where necessary; and
- Where relevant, calculating and paying the prescribed part dividend and dealing with unclaimed dividends.

6. Other Information to Support the Proposed Fees

- 6.1** Attached at Appendix V is an estimate of the time that the Joint Administrators envisage the above work will take to complete. Appendix V also provides their estimate of the expenses that have been or are likely to be incurred.
- 6.2** Please note that the estimates have been provided on the assumptions given below. In the event that it proves necessary for the Joint Administrators to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted Expenses Estimate. In the event that the Joint Administrators incur time costs in excess of the Fees Estimate, they will only revert to the relevant creditors for approval if they propose to draw any fees in addition to those estimated from the insolvent estate.
- 6.3** In summary, the Joint Administrators propose that their fees be fixed at £120,000 (for their time incurred both pre and post appointment) and should there be realisations above £17,000,000 they will draw 5% of the balance above £17,000,000. In the event of a refinance and/or share purchase made by the directors via a third party vehicle, the Joint Administrators seek to draw a fee of 2% of the total redemption figure.
- 6.4** The Fee proposal and Expenses estimate have been compiled on the assumptions set out below. Please note that these are assumptions only for the purposes of preparing the proposal and estimate in accordance with the statutory provisions. It has been assumed that:
- investigations to the extent described in section 5 above will be carried out;
 - no exceptional work will need to be conducted in order to realise the remaining assets and collect in any deferred consideration;
 - there will be no requirement to hold a physical creditors' meeting or additional decision procedure to consider the matters covered by this Proposal; and
 - there will be no need to extend the Administration.
- 6.5** On the basis of these assumptions, the Joint Administrators do not anticipate that it will be necessary to seek additional approval from the relevant creditors for fees in excess of the proposal mentioned above. However, in the event that the Administration does not proceed as envisaged, the Joint Administrators will seek approval for any fees in addition to those estimated that they wish to draw from the insolvent estate.

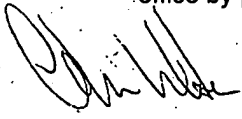
6. The Joint Administrators' Discharge

- 6.1** The Act requires that the timing of the Joint Administrators' discharge from liability will be decided by the secured creditors. The Joint Administrators propose that this discharge will take effect when their appointment ceases to have effect, unless the Court specifies a time.

7. Approval Process

- 7.1** As explained above, in the absence of a Creditors' Committee, the matters described in this Proposal are to be decided by the secured creditors. Therefore, this information is provided to other creditors for information purposes only.

If any creditor has any queries in relation to the above, please do not hesitate to contact either of the Joint Administrators, Paul Whitwam or Ashleigh Smith at this office by phone or by email to info@opusllp.com.



Colin David Wilson

Dated: 12 June 2020

Colin David Wilson and Trevor John Binyon were appointed Joint Administrators of Prosperity Cathedral View Development Ltd ("the Company") on 4 May 2020. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

Appendix I – The Statement of Proposals

(Pursuant to Schedule B1 of The Insolvency Act 1986)

Disclaimer Notice:

This Statement of Proposals has been prepared by Colin David Wilson and Trevor John Binyon, the Joint Administrators of Prosperity Cathedral View Development Ltd solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the Administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any estimated outcomes for creditors included in this Statement of Proposals 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 document for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 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 Statement of Proposals.

The Joint Administrators act as agent for Prosperity Cathedral View Development Ltd and contract without personal liability. The appointment of the Joint Administrators is personal to them and, to the fullest extent permitted by law, Opus Restructuring LLP does not assume any responsibility and will not accept any liability to any person in respect of this Statement of Proposals or the conduct of the Administration.

All licensed Insolvency Practitioners of Opus Restructuring LLP are licensed in the UK to act as Insolvency Practitioners.

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5. Management of the Company's Affairs since the Joint Administrators' Appointment
6. The Statement of Affairs and the Outcome for Creditors
7. The Joint Administrators' Fees
8. Approval of the Statement of Proposals
9. Summary of the Joint Administrators' Statement of Proposals

Attachments

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- B Statutory Information
- C Director's Statement of Affairs as at 4 May 2020 and Creditors' Details
- D Estimated Outcome Statement and The Joint Administrators' Receipts and Payments Account to 10 June 2020

1. Introduction

- 1.1** This Statement of Proposals is prepared pursuant to Schedule B1 of the Act in relation to the Company, the purposes of which are to provide creditors with a full update as to the present position and to set out the Joint Administrators' proposals for achieving an Administration objective.
- 1.2** The Statement of Proposals also includes information required to be provided to creditors pursuant to the Rules. Definitions of the terms used in the Statement of Proposals are provided in Attachment A and statutory information pertaining to the Company is set out in Attachment B.
- 1.3** This Statement of Proposals is being delivered to creditors on 12 June 2020.
- 1.4** The Joint Administrators, based upon current information, believe there will be insufficient property for a distribution to the unsecured creditors, other than potentially by way of a prescribed part distribution. Consequently, and in accordance with Paragraph 52(1)(b) of Schedule B1 of the Act, creditors are not being asked to decide on the Joint Administrators' proposals, although they may ask the Joint Administrators to request such a decision. Please see section 8 for further details.

2. Background to the Company

- 2.1** The Company was incorporated on 31 October 2016 and the principal activity of the Company was the development of building contracts. The Company operated from the offices of another entity, Prosperity Capital, with developments across London, Manchester and Dublin. The Company's sole building contract was the Property (The Croft) situated in the centre of Derby.
- 2.2** The Property comprises a new build (Practical Completion achieved in May 2020) purpose-built student accommodation facility being of part eight storey and part nine storey design, located inside the Derby ring road. This is in walking distance of the City Centre amenities and Derby University's Markeaton Street Campus and Britannia Mill Campus.
- 2.3** The accommodation provides 326 bedrooms, all having en-suite accommodation. There are 226 standard suites, 84 larger suites and 16 accessible suites. The suites are set within clusters of 4, 5, 6, 8 and 9 bedrooms, with each cluster having a common room and kitchen facility. Communal facilities on site include a laundrette, a screening room and a lounge. In addition, there is a management suite including reception, interview room, staff room and an office.
- 2.4** As the Company was solely established to build and obtain funding to complete the Croft, it did not trade in the traditional sense. Additionally, in September 2019, The Directors sought to commence the trading of the business through CVTC as an operating business. Students were, we understand, accepted into the building prior to Practical Completion under certain operating restrictions. Most contracts including the tenancies were in the name of CVTC.

Overview of Financial Information

- 2.5** Extracts from the unaudited accounts for the 12 months to 31 October 2018 and the 12 months to 31 October 2017 are shown below.

Please note that this information has not been verified by the Joint Administrators or by Opus Restructuring LLP.

Prosperity Cathedral View Development Ltd - In Administration
The Joint Administrators' Proposal

Summary Profit and Loss Account

	Draft Management Accounts to 04/05/20	Unaudited Accounts for year to 31/10/18	Unaudited Accounts for year to 31/10/17
	£	£	£
Sales	0	0	0
Purchases	(113,638)	(4,660,684)	(3,265)
Gross Profit	(113,638)	(4,660,684)	(3,265)
Overheads	(348,556)	(1,209,181)	(458,809)
Net Profit/(Loss)	(462,194)	(5,869,865)	(462,074)

Summary Balance Sheet

	Draft Management Accounts to 04/05/20	Unaudited Accounts for year to 31/10/18	Unaudited Accounts for year to 31/10/17
	£	£	£
Current Assets			
Property	17,576,709		
Stock		6,608,425	978,964
Debtors		585,050	210,816
Cash at Bank and in hand	508,382	3,528	54,006
	18,085,091	7,197,003	1,243,786
Liabilities			
Trade creditors	(800,201)	(522,277)	(44,954)
Deferred Income	(1,126,342)		
Other taxation and social security	(81,798)	(361,068)	(917)
Other creditors	(20,386,420)	(6,847,931)	(1,350,754)
Total Liabilities	(22,394,761)	(7,731,276)	(1,396,625)
Net Assets	(4,309,670)	(534,273)	(152,839)

Management and Employees

2.6 It should be noted that as at 4 May 2020, the Company did not employ any staff.

Statutory information on the Company, including details of the Directors, Company Secretary, and Shareholders is provided at Attachment B.

3. Events leading to the Administration

3.1 Maslow had been in regular contact with the Company as the loan facility was due to expire at the end of April 2020. However, on 27 April 2020, the Company solicitors informed Maslow, in writing, that they believed the Company was insolvent and its Directors were seeking to appoint Administrators. Under current insolvency legislation, secured lenders have the ability to appoint Administrators of their choice.

- 3.2 On 4 May 2020, Colin David Wilson and Trevor John Binyon of Opus Restructuring LLP, were appointed Joint Administrators of the Company following the filing of a Notice of Appointment of Administrators by Maslow, following consultation, under advice, under the terms of an inter- creditor deed.

4. The Purpose of the Administration

- 4.1 The purpose of an Administration is set out in Schedule B1, Paragraph 3(1) of the Act. In short, this provides that an Administrator of a company must perform his functions with the objective of:
- rescuing the company as a going concern, or
 - achieving a better result for the creditors as a whole than would be likely to be achieved 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.
- 4.2 These objectives form a hierarchy. The rescue of a company is the priority. If this is not possible, the Administrator seeks to achieve a better result for the creditors as a whole. In the event that this cannot be achieved, then the Administrator is permitted to realise assets for the benefit of the preferential or secured creditors.
- 4.3 The Joint Administrators would comment that due to the type of instruction, being a QFCH appointment, and the volume of debts due to the secured creditors, the Joint Administrators and Maslow did not consider it possible to restructure the existing business or propose a Company Voluntary Arrangement. This process would have also required the directors' and shareholders' agreement.
- 4.4 The second objective is normally achieved by means of a sale of the business and assets as a going concern (or a more orderly sales process than in liquidation). The Joint Administrators would comment that they do not believe that the unsecured creditors will receive a dividend (other than potentially via the prescribed part) and, therefore, have not directly benefited. Accordingly, the Joint Administrators do not consider it likely that the second objective will be achieved and have therefore proceeded to objective three.
- 4.5 The Joint Administrators would comment that the third objective will be achieved through the sale of the Company's assets and it is estimated that the majority of the secured creditors will be discharged.
- 4.6 A detailed account of how the Joint Administrators have sought to achieve the objective of the Administration is set out below.
- 4.7 The Directors of the Company may, we understand, be considering a refinance via a third party vehicle and/or potential share purchase which would discharge the senior secured charge holders debts and the costs associated with the Administration. This option would change the objective of the Administration as set out above.

5. Management of the Company's Affairs since the Joint Administrators' Appointment

- 5.1 Immediately on appointment the Joint Administrators undertook a review of the Company's affairs with particular regard to its financial and resource requirements. This assessment was carried out in liaison with the directors of the Company, Maslow and the managing agent for the Property at that time.

The sale of the Company's business and assets

Sales to connected parties

- 5.2 There have been no sales of any of the Company's assets to connected parties since the Joint Administrators' appointment. If any sale to a connected party takes place, this will be reported to creditors in the Joint Administrators' progress report.

Assets remaining to be realised

- 5.3 The Company's property, chattels, equipment and furniture all remain to be realised. Scanlans Consultant Surveyors LLP ("Scanlans") were instructed to liaise with the local Council, as there was a prospect of a long-term lease being entered into, which would have, potentially, increased the realisable value of the asset. Despite detailed negotiations, the Council withdrew their interest in the lease and building on 5 June 2020. Scanlans were also instructed to prepare a marketing pack and liaise with interested parties in relation to these assets and set a realistic bidding deadline. There has been significant interest in the property to date and best and final offers are expected to be received by 4PM on 30 June 2020.

Post appointment strategy

- 5.4 Immediately following the appointment of the Joint Administrators, the Joint Administrators' staff advised the directors of the Company of the Administration.
- 5.5 The Joint Administrators' staff are in the process of collating creditors' claims and have handled creditors' queries as they have arisen which include telephone calls and correspondence.
- 5.6 To advise on appropriate legal matters and to prepare required legal documentation, the Joint Administrators instructed DLA Piper LLP ("DLA"), a firm of lawyers with the appropriate expertise and experience in dealing with these types of Administrations. DLA are advising on all legal issues arising on the sale of the assets and have been assisting the Joint Administrators with post appointment matters.
- 5.7 For professional firms employed for specialist advice such as tax matters or inventory, the Joint Administrators will agree a budget for work to be done, following a quote. Scanlans' sale fee is based on 1/2% of realisations up to £18,000,000. For a sale over £18,000,000 the balance will be paid at 1% plus VAT and disbursements. Also, £15,000 plus VAT and disbursements has been agreed for the substantial negotiations with the local Council

Investigation into the Company's Affairs Prior to the Administration

- 5.8 The Joint Administrators are undertaking a review of the Company's trading activities in order to establish whether or not there are actions that may be taken for the benefit of the Administration and consequently to enable a conduct report to be submitted in respect of Company directors in office at the commencement of the Administration and any who resigned in the three years prior to the Administration.
- 5.9 Should any creditor have any concerns about the way in which the Company's business has been conducted or information on any potential recoveries for the estate, they are invited to bring them to the attention of the Joint Administrators as soon as they are able.

6. The Statement of Affairs and the Outcome for Creditors

- 6.1** A Statement of Affairs, as at 4 May 2020, has been submitted by the Directors of the Company, a copy of which is attached at Attachment C.
- 6.2** In accordance with the standard format of a Statement of Affairs, no provision has been made in the Statement for the costs of the Administration (including agents, legal and other professional fees).
- 6.3** The Joint Administrators have not carried out any work of the nature of an audit on the information. However, they comment on the statement of affairs as follows;
- That the chattels, furniture and equipment of the Company (contained within the Property) should be listed as a separate asset; Due to COVID 19 restrictions, a valuation of the Property has not been feasible to date. However, a valuation is to be obtained post 15 June 2020; and
 - That there are no preferential creditors and that the debt due is attributed to Prosperity Cathedral View NMPI Ltd.

Secured creditors

- 6.4** The Company's secured creditors, at the date of the appointment of the Joint Administrators, are summarised at Attachment C.
- 6.5** The anticipated recovery to the secured creditor is shown on the Estimated Outcome Statement at Attachment D.

Preferential claims

- 6.6** There are no known preferential creditors.

Prescribed Part

- 6.7** Section 176A of the Act requires Administrators to make a prescribed part of the company's net property, which is the balance remaining after discharging the preferential claims but before paying the floating charge-holder, available for the satisfaction of unsecured debts.
- 6.8** From the Statement at Attachment D, you will note that the net property is estimated to be -£23,907. Therefore, It is unlikely that there will be sufficient realisations to discharge the costs of the Administration in full and therefore the Joint Administrators envisage that there will be no resulting net property from which to deduct a prescribed part. However, please note that the net property figures and associated costs can only be estimated at this stage and therefore the value of the prescribed part is only an estimate and is subject to change.
- 6.9** The Joint Administrators do not propose to make an application to court under Section 176A(5) of the Act to disapply the prescribed part provisions, because the Joint Administrators intend to distribute the prescribed part in the event that the net property exceeds £10,000.
- 6.10** Attached at Attachment D is the Joint Administrators' receipts and payments account for the period from 4 May 2020 to 10 June 2020.

7. The Joint Administrators' Fees

- 7.1** The Joint Administrators fees will be capped at £120,000 (pre and post time) plus VAT and disbursements, in relation to realisations up to £17,000,000 and floating charge realisations, both are to be charged by time properly given by the Joint Administrators' and their staff in attending to matters arising in the Administration,

such time to be charged at the prevailing standard hourly charge out rates used by Opus Restructuring LLP at the time the work is performed (plus VAT).

And secondly, if there are any realisations achieved above £17,000,000, the Joint Administrators propose a 5% fee on the balance above £17,000,000 if achieved.

In the event of a refinance and/or share purchase made by the directors via a third party vehicle, the Joint Administrators seek to draw a fee of 2% of the total redemption figure.

- 7.2 The Joint Administrators will seek approval for the basis of their fees from the three secured creditors. If there a surplus funds available after the repayment of the secured charge holders, then the fee arrangements can be agreed by Creditors' Committee, if established or the general body of creditors.
- 7.3 Information to support the proposed basis of the Joint Administrators' fees is provided in the Joint Administrators' Proposal, to which this Statement of Proposals forms an appendix.

8. Approval of the Statement of Proposals

- 8.1 As explained in Section 6 above, the Joint Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors (other than by virtue of Section 176A(2)(a) of the Act). Therefore, pursuant to Paragraph 52(1)(b) of Schedule B1 of the Act, the Joint Administrators are not required to seek creditors' approval of the Statement of Proposals.
- 8.2 Notwithstanding this, the Joint Administrators shall be required to seek a creditors' decision on whether to approve the Statement of Proposals, if it is requested by creditors whose debts amount to at least 10% of the Company's total debts. Such request must be delivered to the Joint Administrators within 8 business days from the date on which the Statement of Proposals was delivered. Security must be given for the expenses of seeking such a decision.
- 8.3 If no decision is requested, the Statement of Proposals will be deemed to be approved pursuant to Rule 3.38(4) of the Rules.

9. Summary of the Joint Administrators' Proposals

- 9.1 The Statement of Proposals is summarised below.
- 9.2 In order to achieve the purpose of the Administration, the Joint Administrators formally propose to creditors that:
- the Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) they sell the Company's assets at such time(s) and on such terms as they consider appropriate;
 - (ii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and
 - (iii) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.

Prosperity Cathedral View Development Ltd - In Administration
The Joint Administrators' Proposal

- the Joint Administrators make distributions to any secured creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the Court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
- the Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time;
 - (i) in the event that there is no remaining property that might permit a distribution to the Company's creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or
 - (ii) In the event that a refinance and/or share purchase is made by the directors via a third party vehicle and the costs of the Administration are settled in full, the Joint Administrators will vacate office; or
 - (iii) however, in the unlikely event that the Joint Administrators think that a distribution will be made to unsecured creditors (and they have not sought the Court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the registrar of companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Colin David Wilson and Trevor John Binyon will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved. Information about the process of approval of the Statement of Proposals is set out at Section 8; or
 - (iv) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Colin David Wilson and Trevor John Binyon may ask the Court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidator.



Colin David Wilson

Dated: 12 June 2020

Colin David Wilson and Trevor John Binyon were appointed Joint Administrators of Prosperity Cathedral View Development Ltd - In Administration on 4 May 2020. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

ATTACHMENT A - DEFINITIONS

The Act	The Insolvency Act 1986
The Rules	The Insolvency Rules 1986 or the Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event described)
The Statement of Proposals	The Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act
The Joint Administrators	Colin David Wilson and Trevor John Binyon
The Company	Prosperity Cathedral View Development Ltd - In Administration
The Court	High Court of Justice
HMRC	HM Revenue & Customs
ROT	Retention of Title
EOS	Estimated Outcome Statement
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986
QFCH	Qualifying Floating Charge Holder
SIP	Statement of Insolvency Practice (England & Wales)
TUPE	Transfer of Undertakings (Protection of Employment) Regulations
Maslow	Senior secured lender
Kenfin	Mezzanine secured lender
Prosperity Cathedral View	Junior secured lender
NMPI Ltd	

ATTACHMENT B - STATUTORY INFORMATION

Company Name	Prosperity Cathedral View Development Ltd - In Administration
Previous Name(s)	N/A
Trading Name(s)	PCVDL, The Croft
Proceedings	Administration
Court	High Court of Justice
Court Reference	000475 of 2020
Date of Appointment	4 May 2020
Joint Administrators	Colin David Wilson and Trevor John Binyon of Opus Restructuring LLP, 1 Radian Court, Knowhill, Milton Keynes, MK5 8PJ
Former Registered Office Address	Devonshire House, 60 Goswell Road, London, EC1M 7AD
Company Number	10453715
Incorporation Date	31 October 2016
Company Secretary	None appointed
Administrators Appointed by	Maslow 2 Limited, 11th Floor, 200 Aldersgate Street, London, United Kingdom, EC1A 4HD
Directors at date of Appointment	Gavin Davis Barry Edward Christopher Francis Fowkes
Directors' Shareholdings	Gavin David Barry had 1.5 Ordinary Shares Edward Christopher Francis Fowkes had 1.5 Ordinary Shares

**ATTACHMENT C - DIRECTORS' STATEMENT OF AFFAIRS AS AT 4 MAY 2020 AND
CREDITORS' DETAILS**

Statement of affairs

Name of Company

Prosperity Cathedral View Development Ltd

Company number

10453715

In the High Court of Justice, Business and
Property Courts in Manchester
Insolvency and Companies List

Court Case Number

000475 of 2020

(a) Insert name and
address of registered
office of the company

Statement as to the affairs of (a) Prosperity Cathedral View Development Ltd Devonshire
House, 60 Goswell Road, London, EC1M 7AD

on (b) 04 May 2020, the date that the company entered administration.

Statement of Truth

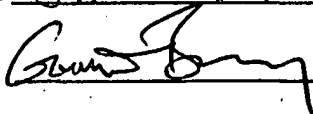
(b) Insert date

I believe that the facts stated in this statement of affairs are a full, true and complete
statement of the affairs of the above named company as at (b) 4 May 2020 the date that
the company entered administration.

Full name

GRAVIN BARRY

Signed



Dated

4.6.20

Prosperity Cathedral View Development Ltd

A – Summary of Assets

Book Value £000s	Estimated to Realise £000s
17881	27283

Assets

Assets subject to a first charge: (Maslow)

17

12677

Assets subject to a second charge: (Kenfin)

2969

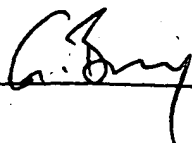
Uncharged assets:

Surplus from assets subject to a fixed charge

Estimated total assets available for preferential creditors

11837

Signature



Date

4.6.20

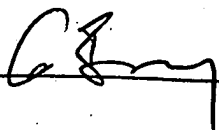
A1 – Summary of liabilities

	Estimated to Realise £
Estimated total assets available for preferential creditors (carried from page A)	11637
Liabilities	
Preferential creditors:	10560
None	
Total Preferential Claim	1077
Estimated / surplus as regards preferential creditors:	
Estimated prescribed part of net property where applicable (to carry forward)	1077
Estimated total assets available for floating charge holders	
Debts secured by floating charges	
Estimated deficiency/surplus of assets after floating charges	1077
Estimated prescribed part of net property where applicable (brought down)	
Total assets available to unsecured creditors	1077
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	882
Employees' Claims	
Estimated surplus / deficiency as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£195K
Issued and called up capital	
None	
Estimated total deficiency / surplus as regards members	£195K

notes

1. Assumes a disposal of £ 27.25;
2. First charge is that estimated owing to Maslow at 4 MAY 20;
3. Second charge is that estimated owing to Kenfin at 4 MAY 20; and
4. Third or preferential charge is that estimated owing to Investors at 4 MAY 20

Signature



Date

4-6-20

B**COMPANY CREDITORS**

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession.

Name of creditor or claimant	Address (with postcode)	Amount of debt	Details of any security held by creditor	Date security given	Value of security £
Adaston	4 Greengate, Cardale Park, Harrogate, North Yorkshire, HG3 1GY	£960.00			0
Andrew Tomlinson	17 Highmoor Park, Clitheroe, Lancashire, BB7 1JB	£500.00			0
Ashfords LLP	Ashford House, Grenadier Road, Exeter, EX1 3LH	£12,965.40			0
Dalbergia	Office 7 Quebec Building, Bury Street, Manchester, M3 7BU	£3,240.00			0
DW Hicks	Humberstone House, 40 Thurmaston Lane, Humberstone, Leicester, LE5 0TF	£584,915.35			0
Eversheds Sutherland	1 Callaghan Square, Cardiff, CF10 5BT	£27,793.00			0
Inspired Projects / Ametros	42 Charles Street, Manchester, M1 7DB	£65,941.39			0
Kenfin	29 Farm Street, Mayfair, London, W1J 5RL	£2,969,000.00			0
Maples Teesdale	30 King Street, London, EC2V 8EE	£79,836.18			0
Maslow 2 Limited	11th Floor, 200 Aldersgate Street, London, EC1A 4HD	£12,677,000.33			0
NGM Tax Law	13 Regent Street, London, SW1Y 4LR	£1,740.00			0
PROSPERITY CATHEDRAL VIEW NMPI LTD	Devonshire House, 60 Goswell Road, London, EC1M 7AD	£10,560,000.00			0
Squire Energy	55 High Street, Epsom, Surrey, KT19 8DH	£4,000.37			0

B
COMPANY CREDITORS

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession.

Name of creditor or claimant	Address (with postcode)	Amount of debt	Details of any security held by creditor	Date security given	Value of security £
Technogym	Two Bracknell Boulevard, Cain Road, Bracknell, Berkshire, RG12 1WP	£1,814.40			0
Towergate Insurance	26-28 Pembroke Road, Sevenoaks, Kent, TN13 1XR	£80.00			0
University of Derby	Finance Dept, University of Derby, PO BOX 88, Derby, DE22 1XB	£1,200.00			0
Victoria Hall Management (UK) Ltd	Carrington House, 126-130 Regent St, London, W1B 6SE	£6,441.05			0
Wintech	Quartz house, Pendeford Business Park, Wolverhampton, West Midlands, WV9 5HA	£8,793.91			0
Totals		£			0

Signature Gustafson (behalf of PCVD Ltd)

Date 6th June 2020

C
COMPANY MEMBERS

Name of shareholder or member	Address (with postcode)	Type of Share	No. of Shares	Nominal Value
-------------------------------	-------------------------	---------------	---------------	---------------

Gavin Barry	Devonshire House, 60 Goswell Road, London, EC1M 7AD	Ordinary	1.5	1.00
Ed Fowkes	Devonshire House, 60 Goswell Road, London, EC1M 7AD	Ordinary	1.5	1.00

Signature

Gavin Barry (on behalf of RVD Ltd)

Date

6th June 2020

Schedule of Secured Creditors

Secured creditor's name and address	Amount of claim (estimated)	Details of security	Date security was given	Value of security (per Statement of Affairs)
Maslow 2 Limited, 11th Floor, 200 Aldersgate Street, London, EC1A 4HD (Senior Lender)	12,953,330	Contains fixed and floating charges. The freehold land known as Union 1, Willow Row, Derby, DE1 3NZ, the freehold land known as Land Adjoining Union 1, Willow Row, Derby.	29/01/2019 (delivered 06/02/2019)	12,677,000
Cetra Security Trustees Limited, (Mezzanine Chargeholder) Devonshire House, Manor Way, Borehamwood, WD6 1QQ (Cetra act as Trustee for Kenfin Holdings Limited as Mezzanine lender)	3,189,224 *	Fixed and floating charges over The freehold property known as Union 1, Willow Row, Derby and interests in any freehold leasehold and other immoveable property and all buildings on any such property belonging to or charged to the chargor now or at any time during the continuance of the security belonging to the charger.	29/01/2019 (delivered 30/01/2019)	2,969,000
Prosperity Cathedral View NMPI Ltd ("PCVNMPI"), Devonshire House, 60 Goswell Road, London, EC1M 7AD (Junior Lender) Prosperity Cathedral View Security Ltd act as Junior Security Agent for NMPI)	10,560,000 **	The freehold property known as Union 1, Willow Row, Derby.	20/11/2017	10,560,000

Notes:

All securities detailed above are being reviewed by DLA.

*Kenfin also have a charge in relation to another Prosperity vehicle with the asset St James House in Birmingham, which has been placed into LPA Receivership. That loan was cross-collateralised against The Property for the sum of £2m. Subject to legal advice, it appears that Kenfin will be able to discharge this security from realisations in the Company.

**As per advice from the Directors of PCVNMPI, the debt is apportioned between money owed to its investors of £10,560,000 with a balance, yet to be determined as an intercompany loan.

ATTACHMENT D - ESTIMATED OUTCOME STATEMENT AND THE JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS
ACCOUNT TO 10 JUNE 2020
(exclusive of VAT)

	Notes	Receipts and Payments to 10/06/2020 £	Estimated Future Receipts and Payments in Administration £	Estimated Outcome in Administration £
FIXED CHARGE ASSETS				
Property	1	-	21,300,000	21,300,000
Rent	2	-	Unknown	Unknown
Advance of Funds for Trading Expenses	3	-	252,431	252,431
			21,552,431	21,552,431
LESS FIXED CHARGE COSTS				
Joint Administrators' fees (5% percent of sale price above £17,000,000)		-	(215,000)	(215,000)
Joint Administrators' Pre-Appointment Fee		-	(8,775)	(8,775)
Joint Administrators' Fee		-	(111,225)	(111,225)
Joint Administrators' disbursements		-	(963)	(963)
Legal Fees (post-appointment)		-	(80,000)	(80,000)
Legal Disbursements		-	(250)	(250)
Agents' Fees (set up fee and initial negotiations)		-	(15,000)	(15,000)
Agents' Fees (marketing and sale)		-	(113,000)	(113,000)
Agents' Fees (valuation)		-	(10,000)	(10,000)
Agents' Fees (chattel valuation)		-	(7,500)	(7,500)
Insurance of Assets		-	(19,989)	(19,989)
Agents' Fees (tax advisor)		-	(15,000)	(15,000)
		-	(596,702)	(596,702)
<i>Balance available to Fixed Charge creditors</i>			20,955,729	20,955,729
LESS FIXED CHARGE CREDITORS				
Maslow 2 Limited	4	-	(13,241,582)	(13,241,582)
Kenfin	4	-	(5,383,448)	(5,383,448)
Return of Advance of funds for Trading Expenses	4	-	(410,250)	(410,250)
Prosperity Cathedral View NMPI Ltd		-	(10,560,000)	(10,560,000)
<i>Balance due to Floating Charge Creditor</i>	5	0	33,271,908	(8,639,550)
FLOATING CHARGE ASSETS				
Cash at Bank		4,988	-	4,988
Bank Interest Gross		-	100	100
Chattels, furniture, equipment		-	225,000	225,000
		4,988	225,100	230,088
COSTS OF ADMINISTRATION				
Advertising		-	(189)	(189)
Specific Bond		-	(950)	(950)
Document Storage		-	(120)	(120)
Case management software and website document access		-	(230)	(230)
Trading Expenses		-	(252,431)	(252,431)
Bank Charges		-	(75)	(75)
		-	(253,995)	(253,995)
				(23,907)
Net assets available to preferential creditors				(23,907)
Preferential Claims				0
Surplus as regards preferential creditors				(23,907)
Less: Prescribed Part				-
Estimated total assets available to Floating Charge Holders	6			(23,907)
Balance due to floating charge creditors				(8,639,550)
Surplus available to the unsecured creditors				(8,663,458)
Unsecured Creditors				(800,206)
Surplus/Deficiency to Unsecured Creditors				(9,463,664)
Share Capital				(3)
Deficiency to Members				(9,463,667)

Notes:

- 1 - The Property known as The Croft. Estimated value as per the valuation carried out in December 2018. A new valuation will be conducted in due course
- 2 - Due the current global pandemic is uncertain whether there will be any future rents received
- 3 - It has been agreed with Maslow that they will advance funds into the Administration so that trading expenses can be met and continuation of service is provided
- 4 - The balance due is calculated on the basis that the secured creditors will receive a distribution at the end of August 2020
- 5 - It is estimated that there will be a shortfall to the secured creditors
- 6 - It is currently estimated that there will insufficient funds to enable a prescribed part distribution

APPENDIX II - BREAKDOWN OF PRE-ADMINISTRATION TIME COSTS FOR OPUS RESTRUCTURING LLP

Pre-appointment Remuneration Schedule between 12 April 2020 and 4 May 2020

Classification of work function	Partner/Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Pre Appointment	23.40	0.00	7.40	0.30	31.10	8,775.00	282.15
Total hours	23.40	0.00	7.40	0.30	31.10		
Time costs	7,127.50	0.00	1,625.00	22.50		8,775.00	
Average hourly rate	304.59	0.00	219.59	75.00			282.15

Summary of Fees

Time spent in administering the Assignment	Hours	31.10
Total value of time spent to 4 May 2020	£	8,775.00
Total Pre Appointment fees drawn to 4 May 2020	£	0.00

APPENDIX III - CHARGE-OUT RATES AND BASES OF DISBURSEMENTS

Opus Restructuring LLP mission statement is "to provide clients with an outstanding service based on technical excellence, effective problem solving and the highest level of client care". It provides a quality, partner led service and takes compliance with insolvency legislation and best practice guidance seriously.

This guide to our fees & disbursements has been produced to provide creditors with information required by best practice guidance. We recommend that this guidance is read in conjunction with the note entitled "A Creditors Guide to Administrators Fees", which is attached to the notice convening this first meeting of creditors.

At Opus Restructuring LLP we seek to recover fees on time cost basis. A link to my current charge-out rates may be found at www.opusllp.com and are also detailed below.

Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are:

	Rates from 01.05.2020 £'s
Partner	375 – 425
Senior Manager / Director	275 – 350
Assistant Manager / Manager	250 – 300
Junior Administrator / Administrator / Senior Administrator	150 – 225
Cashier	150
Support Staff	100

Disbursement recovery

Disbursements are categorised as either Category 1 or 2 Category 2.

Category 1 disbursements will generally comprise of external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Opus Restructuring LLP and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case, (including business mileage up to the HMRC approved rate for cases commenced before 1 November 2011.) Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements include elements of shared or allocated costs incurred by Opus Restructuring LLP and are recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, all business mileage (for cases commencing on or after 1 November 2011), internal room hire and internal storage.

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The current levels of Category 2 disbursements recovered by Opus Restructuring LLP are as follows:

	£
Room Hire (for internal room hire outside of London and London)	100 / 150
Virtual Meetings	100
Photocopying/scanning/faxes (internal)	10p per side
Business mileage per mile	45p
Smartsearch per search – UK based	5
Smartsearch per search – rest of world	47.50 - 185
File set-up cost (per file)	6
Company Searches (downloading and printing documents)	10

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.

Smartsearch charges for UK based searches which range from £2.53 to £7.49. Accordingly, an average of £5 is charged.

APPENDIX IV - BREAKDOWN OF THE JOINT ADMINISTRATORS' TIME COSTS FROM 4 JUNE 2020 TO 10 JUNE 2020

Joint Administrators' Remuneration Schedule between 4 May 2020 and 10 June 2020

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	44.70	0.00	35.00	2.80	82.50	25,027.50	303.36
Investigations	0.00	0.00	5.70	3.70	9.40	1,652.50	175.80
Realisation of Assets	32.70	0.00	13.00	0.00	45.70	14,242.50	311.65
Trading	48.10	0.00	9.20	0.00	57.30	15,492.50	270.38
Creditors	13.10	0.00	5.10	0.00	18.20	4,750.00	260.99
Case Specific Matters	1.00	0.00	0.90	0.00	1.90	582.50	306.58
Total hours	139.60	0.00	68.90	6.50	215.00		
Time costs	45,605.00	0.00	15,452.50	690.00		61,747.50	
Average hourly rate	326.68	0.00	224.27	106.15			287.20

Description	Total Incurred £	Total Recovered £
	0.00	0.00
Totals	0.00	0.00

Summary of Fees

Time spent in administering the Assignment	Hours	215.00
Total value of time spent to 10 June 2020	£	61,747.50
Total Joint Administrators' fees charged to 10 June 2020	£	0.00

APPENDIX V - INFORMATION TO SUPPORT THE JOINT ADMINISTRATORS' FEE PROPOSAL

a) The Joint Administrators' Fees

As reflected in section 3 of the proposal, the Joint Administrators' fees are to be capped at £120,000 (to cover both pre and post appointment costs) based on a fixed fee and should the Joint Administrators achieve realisations of above £17,000,000 they propose to draw 5% of realisations above £17,000,000.

Detailed below are some of the key tasks that the Joint Administrators have undertaken to date and what they anticipate undertaking to bring the Administration to a close.

General Description	Includes
Administration (including statutory reporting)	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending case files to storage
Creditor reports	Preparing proposal, six monthly progress reports, fee authority report to secured creditors and final report Reporting to secured creditor appointor
Creditors' decisions	Preparation of decision notices, proxies/voting forms Collate and examine proofs and proxies/votes to establish decisions Consider objections received and requests for physical meeting or other decision procedure
Investigations	
SIP 2 Review	Collection, and making an inventory, of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Review of specific transactions and liaising with directors regarding certain transactions Liaising with the creditors or major creditors about any further action to be taken
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with the Insolvency Service Submission of report to the Insolvency Service Preparation and submission of supplementary report (if required)

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General Description	Includes
	Assisting the Insolvency Service with its investigations
Examinations	If required, preparing brief to solicitor Liaising with solicitor(s) regarding examinations Attendance at examination Reviewing examination transcripts Liaising with solicitor(s) regarding outcome of examinations and further actions available
Realisation of Assets	
Sale of Assets	Instructing and liaising with agents Preparing an information memorandum Liaising with potential purchasers Agreeing licences to trade/occupy Assessment and review of offers received Negotiating with intended purchaser and agent Liaising with secured creditors and seeking releases Exchanges with solicitors to agree sale and purchase agreement Pursuing any deferred sale consideration
Chattels, furniture and equipment	Liaising with valuers, auctioneers and interested parties Reviewing asset listings Liaising with secured creditors
Retention of Title Claims ("ROT")	Receive initial notification of creditor's intention to claim Provision of retention of title claim form to creditor Meeting claimant on site to identify goods Adjudicate retention of title claim Forward correspondence to claimant notifying outcome of adjudication Preparation of payment vouchers and correspondence to claimant to accompany payment of claim (if valid) Exchanges with solicitors in deciding claims and dealing with disputes
Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers
Trading	
Management of operations	Analysing requirements Liaising with managing agent and suppliers to secure supplies and any credit terms Negotiating with any ransom creditors Establishing new accounts with utility providers Ensuring security of premises, computer system, equipment and stock Liaising with customers to confirm orders and secure undertakings Site Supervision Authorising purchase orders Maintaining purchase order registry Preparing and authorising receipt vouchers Preparing and authorising payment vouchers Collecting sales ledger
Accounting for trading	Reviewing company's budgets and financial statements Preparing budgets Preparing weekly financial reports Finalising trading profit or loss Trading strategy review VAT returns

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General Description	Includes
Creditors (claims and distribution)	
Creditor communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post
Dealing with proofs of debt ('POD')	Receipting and filing POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication Seeking solicitors' advice on the validity of secured creditors' claims and other complex claims
Distribution procedures	Agreeing allocation of realisations and costs between fixed and floating charges Paying distribution to secured creditors and seeking confirmation of discharged claims Preparation of correspondence to creditors advising of intention to declare distribution Advertisement of notice of intended distribution Preparation of distribution calculation Preparation of correspondence to creditors announcing declaration of distribution Preparation of cheques/BACS to pay distribution Preparation of correspondence to creditors enclosing payment of distribution Seeking unique tax reference from HMRC, submitting information on PAYE/Ni deductions from employee distributions and paying over to HMRC Dealing with unclaimed dividends
Case Specific Matters	
Pension review	Completing internal pensions review to ensure none exists
Property Matters	Reviewing any specific matters in relation to the Property
Total	

General Description		Basis of Remuneration	%	Estimated Total
The sale of the Property	Liaising with agents Preparing and reviewing information in relation to the Property Assessment and review of offers received Negotiating with any intended purchaser and the agent Exchanges with solicitors to agree sale and purchase agreement Liaising with the secured creditors in relation to the sale of the Property	Percentage	5% of balance of realisations above £17,000,000 on all time costs incurred on this case	215,000

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	Liaising with secured creditors and seeking releases Arranging receipt of funds from the purchaser Arranging distributions to the secured creditor Pursuing any deferred sale consideration			
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b) The Joint Administrators' Expenses Estimate

Below is the expenses estimate in respect of category 1 direct expenses and category 2 expenses, which will have an element of shared or allocated costs.

Please note that this estimate reflects the expenses anticipated to be incurred for the full period of the Administration and thus it includes expenses already incurred, details of which are provided elsewhere in this document.

Expenses Category 1	Basis	Estimate of total
Legal costs – DLA Piper LLP have been instructed to provide advice in respect of validity of security and appointment, the sale of the Company's assets, dealing with ASTs and funding agreements with Maslow	Time-costs	80,000
Agents and Valuers – Scanlons have been instructed to provide marketing assistance with a sale of the company's assets A valuer will be appointed to confirm the value of the assets	Agreed fee of £15,000 and 0.5% of realisations to £18M and 1% over £18M	128,000
Chattel valuers - PDS	Agreed fee	7,500
Accounting fees - to include corporation tax returns, dealing with any profit on sale of assets, providing advice and calculating any termination loss claim, and any VAT advice required	Time-costs	15,000
Advertising		189
Bank charges		75
Specific Bond		950
Document storage		120
Cost of case management software and website document access		230
Insurance		19,989
Postage		250
Total		£265,637

Expenses Category 2	Basis	Estimate of total
Company Searches		10
Files and indices	One off cost of £6.00 per file	18
Photocopying	10p per sheet	500
Internal meeting room	cost £100 per	100

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Expenses Category 2	Basis	Estimate of total
	meeting	
Mileage (own car usage) (should a site visit be possible)	45p per mile	75
Smart search	£5 per UK based person	10
Total		£713

Please note that this estimate has been provided on the assumptions given in Section 6. In the event that it proves necessary for the Joint Administrators to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted estimate.

APPENDIX VI - PROOF OF DEBT

Company Name: Prosperity Cathedral View Development Ltd
Date of Administration: 4 May 2020

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> For UK companies: its registered number For other companies: the country or territory in which it is incorporated and the number if any under which it is registered The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category Amount(s) claimed as preferential £
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO