



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

1 Company details

Company number	1	0	9	5	3	6	8	5
Company name in full	Prime Resort Development Limited							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	Finbarr
Surname	O'Connell

3 Administrator's address

Building name/number	25
Street	Moorgate
Post town	
County/Region	London
Postcode	E C 2 R 6 A Y
Country	

4 Administrator's name ①

Full forename(s)	Colin
Surname	Hardman

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	25
Street	Moorgate
Post town	
County/Region	London
Postcode	E C 2 R 6 A Y
Country	

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 0	^d 3	^m 0	^m 8	^y 2	^y 0	^y 2	^y 1
To date	^d 0	^d 2	^m 0	^m 2	^y 2	^y 0	^y 2	^y 2

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Finian O'Connell

X

Signature date

^d 2	^d 8	^m 0	^m 2	^y 2	^y 0	^y 2	^y 2
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**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

Company name **Smith & Williamson LLP**Address **25 Moorgate**

Post town

County/Region **London**

Postcode

E	C	2	R		6	A	Y
---	---	---	---	--	---	---	---

Country

DX

Telephone **020 7131 4000****Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

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

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. ❶
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.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

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

❶ 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)

Adam Henry

Surname

Stephens

3 Insolvency practitioner's address

Building name/number

25

Street

Moorgate

Post town

County/Region

London

Postcode

E C 2 R 6 A Y

Country

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- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Lane Gary

Surname

Bednash

3 Insolvency practitioner's address

Building name/number

Craftwork Studios

Street

1-3 Dufferin Street

Post town

County/Region

London

Postcode

E C 1 Y 8 N A

Country

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- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Mark Christopher

Surname Ford

3 Insolvency practitioner's address

Building name/number 25

Street Moorgate

Post town

County/Region London

Postcode E C 2 R 6 A Y

Country



Prime Resort Development Limited (in administration)

Joint administrators' progress report for the period from 3 August
2021 to 2 February 2022

28 February 2022



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1. Glossary

Abbreviation	Description
ETR	Estimated to realise
HMRC	Her Majesty's Revenue and Customs
IA86	Insolvency Act 1986 If preceded by S this denotes a section number
IR16	Insolvency (England and Wales) Rules 2016 If preceded by R this denotes a rule number
LCF	London Capital & Finance PLC - in administration
Prime Group	International Resorts Management Limited, Waterside Cornwall Group Limited, Waterside Cornwall Operations Limited and Waterside Villages Limited (all in administration)
QFCH	Qualifying Floating Charge Holder - a secured creditor which has the power to appoint an administrator
RPS	Redundancy Payments Service
Sch B1	Schedule B1 to the Insolvency Act 1986 If preceded by P this denotes a paragraph number
SIP	Statement of Insolvency Practice (England & Wales)
SOA	Statement of Affairs
the administrators/joint administrators	Finbarr O'Connell, Colin Hardman, Mark Ford, Adam Stephens and Lane Bednash
the Company/PRDL	Prime Resort Development Limited

2. Introduction & Summary

This report provides an update on the progress in the administration of the Company for the six-month period ended 2 February 2022. It should be read in conjunction with our previous reports. By way of reminder, we, Finbarr O'Connell, Colin Hardman, Mark Ford and Adam Stephens of Smith & Williamson LLP, 25 Moorgate, London, EC2R 6AY, and Lane Bednash of CMB Partners UK Limited of Craftwork Studios, 1 - 3 Dufferin Street, London, EC1Y 8NA were appointed as administrators of the Company on 3 February 2020.

- Objective 3(1)(b) Sch. B1 IA86 is still being pursued, namely, to achieve a better result for the creditors than would have been the case had the Company been wound up (without first being in administration).
- LCF, the QFCH, is shown in the books and records of LCF and of the Prime Group as being owed a total of £70.1m by the Prime Group (see Appendix II) and the amount due is secured by various debentures. The Company is the parent company of the Prime Group. Prior to entering administration, the members of the Prime Group had ceased to make payments to LCF in accordance with their obligations under the loan agreement. (The administrators of LCF and of the Prime Group are continuing to investigate exactly how much money was lent by LCF to the Company and to the other members of the Prime Group.)
- The primary duty of the administrators is to return funds to the Company's creditors following their investigations into the Company's financial affairs, utilising the Company's books and records to assist them with this obligation.
- The administration was extended for a further 24 months following an application to court in January 2022. The administration will now automatically end on 2 February 2024, unless the period of the administration is extended again.
- The basis of the administrators' remuneration has not yet been fixed. The administrators of LCF have agreed that, should realisations be insufficient to draw remuneration directly from the estate of PRDL, that, as any recoveries are ultimately for the benefit of the LCF estate and therefore the LCF creditors, that it is necessary and appropriate to grant a proportionate indemnity to the administrators of PRDL, and its subsidiaries, for their reasonable fees and costs, including legal costs. Because the accounts of LCF showed such a substantial amount, c.£70.1m, as being due to it from the Prime Group, it was imperative that the administrations of LCF and of the Prime Group got to the bottom of the reality behind the loan figures.
- The £70.1m loan was allocated to a number of subsidiaries of the Company, of which c.£49m is in respect of four entities whose interests lie in the Dominican Republic and from which it is unlikely that any asset realisations of any material value will be recovered. Extensive cash tracing investigations have been undertaken in the administration of LCF (where any loan monies originated) and it is understood that the actual cash received (and retained) by any of these four entities is far below what has been recorded in the books and records of LCF and of those entities.
- These four entities are no longer relevant to our enquiries and will be subject to a compulsory strike off process at Companies House.
- The remaining £21m was purported to have been loaned to Waterside Villages Ltd ("WVL") (£15.7m) and to Waterside Support Ltd ("WSL") (£5m). Again, there is no documentary evidence to support WSL holding assets of any material value, therefore, this entity will also be subject to compulsory strike off at Companies House.
- WVL is one of the entities which holds land and property titles within the holiday village in Cornwall ("Waterside Resort") and was duly placed in administration shortly after PRDL.
- The joint administrators of all of the appropriate companies have obtained copies of the relevant books and records of the companies which are to be subject to a compulsory strike off process at Companies House. Accordingly, there is no disadvantage in these companies being struck off and this will save the costs of maintaining them on the Companies House register.

3. Progress of the administration

Attached at Appendix III is our receipts and payments account for the period from 3 August 2021 to 2 February 2022. This account includes cumulative figures for the period from 3 February 2020 to 2 February 2022.

3.1 Assets still to be realised

As previously reported, the Company does not directly own any assets, except through shareholdings in subsidiary companies which are detailed in the group structure at Appendix II.

The main assets within the Prime Group are within the Waterside Resort and two land sites in the Dominican Republic. There are prior ranking claims of other secured creditors over those assets, therefore, it is yet to be determined whether, subject to the realisations of these assets, there could be a return to the Company for the benefit of its creditors.

The Waterside Resort

The Waterside Resort was placed on the open market in September 2021 and following a competitive bidding process, an offer has been accepted. It is expected the sale will complete by the end of Q1 2022 at the earliest. Further details will be available in the future progress reports of the Prime Group administrations.

The 2 land sites in the Dominican Republic

Enquiries are continuing into the land owned in the Dominican Republic and whether there will be a commercial benefit in realising the Company's indirect interest in the land. Presently, it is considered doubtful that there will be any material realisations arising from the Dominican Republic property.

Group Entities

As reported previously, there are a number of Prime subsidiaries which are not subject to insolvency proceedings, however, we are required to maintain their existence in order to:

- Assist with facilitating the sale of the Waterside Resort;
- Support various bondholders who have invested in the Waterside Resort; and
- Assist the administrators with their enquiries/investigations as to the flow of funds within the Prime Group.

As a consequence, the caretaker director appointed by the administrators remains in place and we have assisted with filing accounts and confirmation statements at Companies House in order to maintain the entities detailed below on the Companies House Register. Once the sale of the Waterside Resort is complete and all funds have been distributed to the entitled stakeholders, these entities will either be dissolved, or placed into an appropriate insolvency process.

The relevant entities are:

- Waterside Village Bonds Limited;
- Waterside Cornwall Lodges Limited;
- Waterside Village Properties Limited;
- Lakeview UK Investments Plc; and
- Global Advance Distributions Limited.

3.2 Administration strategy

The administration strategy remains unchanged, which is, in accordance with Objective 3(1)(b) Sch. B1 IA86, to achieve 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).

4. Investigations

As previously reported, we have complied with our statutory duties under the Company Directors Disqualification Act 1986, in making our submissions to the Secretary of State for Business, Energy & Industrial Strategy. These submissions are strictly confidential, and we are unable to disclose their content.

The Joint Administrators' investigations have revealed a number of payments by the Company that demanded further enquiry. The payments totalled £2,493,544.41 and were made to twenty-one different companies/individuals.

The Joint Administrators entered into correspondence with all of the companies/individuals and, from the responses received, eliminated eight of the recipients from their enquiries.

Of the remaining thirteen, four of the companies were considered uneconomical to pursue due to their quantum.

The remaining nine companies/individuals have received payments from the Company of £1,642,999.67 in total. Of these nine, three shared payments totalling £405,610. Each of these recipients failed to comply with a final demand to repay the amount received and solicitors have been instructed. The Joint Administrators are currently deciding whether it would be economic to present winding up petitions against the three companies.

Of the remaining six companies/individuals, solicitors have been instructed in respect of one Company claim for £957,284.90 relating to a potential property investment in Spain. Our solicitors have requested a meeting with the company director and the company's solicitors. Correspondence between the solicitors is on-going.

Five of the companies/individuals that received payments totalling £280,104.77 remain under investigation. Further letters will shortly be sent to them requesting a detailed explanation for the payments that they have received.

The joint administrators will consider the cost versus benefit to the estate of the continued pursuit of these payments and evaluate the likely net return to the estate from doing so.

5. Pre-administration costs

As previously reported, approval has not yet been sought for pre-appointment costs but, should realisations be sufficient, approval will be sought from the relevant creditors. On the basis of the very substantial total amount of £70.1m owed by the Prime Group to LCF, the administrators of LCF have agreed that LCF will indemnify the reasonable and proportionate time costs incurred in this administration, should realisations prove insufficient for remuneration to be drawn directly from the insolvency estate.

Pre-appointment costs total £52,303.00 as detailed at Appendix V.

6. Administrators' remuneration

The table below details the time incurred dealing with matters relating to the Company.

The joint administrators' time costs are:

Period		Total hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
3 February 2020 to 2 August 2020	S&W LLP	243.23	104,652.60	430.26	-
	CMB Partners UK Ltd	179.10	103,080.50	576.00	-
3 August 2020 to 2 February 2021	S&W LLP	109.42	43,575.15	398.25	-

Period		Total hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
	CMB Partners UK Ltd	23.35	11,076.25	474.00	-
3 February 2021 to 2 August 2021	S&W LLP	149.37	39,753.77	266.15	-
	CMB Partners UK Ltd	228.60	85,885.00	376.00	-
Adjusted time*	S&W	3.67	2,750.00	750.00	-
3 August 2021 to 2 February 2022	S&W LLP	201.23	80,817.56	385.14	-
	CMB Partners UK Ltd	292.00	132,975.00	455.39	-
S&W LLP total		711.34	271,549.08	381.75	-
CMB Partners UK Ltd total		722.95	333,016.75	460.64	-
Total		1,434.29	604,565.83	421.51	-

* Due to an issue within the time reporting system, the costs for the period ended 2 August 2021 were understated by £2,750. The cumulative SIP9 report at Appendix V reflects this amount in the total time costs.

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

Also attached as Appendix V is a cumulative time analysis for the period from 3 February 2020 to 2 February 2022 which provides details of the administrators' time costs since appointment. No fees have been drawn on account of these costs.

Due to the work relating to the investigation into certain payments made by the Company to certain Companies/individuals, including a full analysis of the Company's bank statements, it has been necessary for CMB Partners UK Limited to issue a revised Fee Estimate which is included at Appendix IX, the Revised Fee Estimate to 2 February 2023.

Creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and providing information relating to the company and its former officers as required by the Company Directors' Disqualification Act 1986.

A copy of "A Creditor's Guide to Administrator's Fees", as produced by R3, is available free on request or can be downloaded from their website as follows:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page1/administration-a-guide-for-creditors-on-insolvency-practitioner-fees/>

Details of Smith & Williamson LLP's and CMB Partners UK Limited's charge out rates (including any changes during the period of the case) along with the policies in relation to the use of staff are provided at Appendix VI.

The joint administrators have no business or personal relationships with the parties who approve our fees.

We have no business or personal relationships with Mishcon de Reya LLP which provides legal services to the joint administrators, where the relationship could give rise to a conflict of interest.

7. Administration expenses

The tables at Appendix VII and VIII provide details of our expenses. Expenses are amounts properly payable by us as administrators from the estate.

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

7.1 Subcontractors

Please see Appendix VI for CMB Partners UK Limited's costs in respect of subcontractors they have used.

7.2 Professional advisers

On this assignment, we have used the professional adviser listed at Appendix VII. We have also indicated alongside the basis of our fee arrangement with that firm, which is subject to review on a regular basis.

7.3 Joint administrators' expenses

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

7.4 Category 2 expenses (see Appendix VI)

No category 2 expenses have been incurred.

7.5 Other expenses

No other expenses have been incurred.

7.6 Policies regarding use of third parties and expense recovery

Appendix VI provides details of Smith & Williamson LLP's and CMB Partners UK Limited's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

8. Estimated outcome for creditors

The estimated outcome for each class of creditors is set out below.

Please note that, where creditors have submitted claims in foreign currency, they have been converted to £Sterling at the applicable rate on the 3 February 2020, being the date of appointment of joint administrators in this case. If any creditor considers the exchange rate to be unreasonable, they may apply to court for determination.

8.1 Secured creditors

LCF is the sole secured creditor and holds a fixed and floating charge over the Company's assets, which was created on 20 November 2018.

At present, subject to the outcome of our ongoing investigations and the eventual sale of the Waterside Resort, it remains uncertain as to whether a distribution will be paid to LCF under its security.

8.2 Prescribed Part

The Company granted a floating charge to LCF on 20 November 2018. As a consequence, should there be sufficient net property realisations, then a Prescribed Part fund would need to be established out of the Company's net floating charge property for unsecured creditors.

Should the Prescribed Part requirement be applicable, it will be calculated as follows:

- 50% of the net property up to £10,000, plus
- 20% of the net property over £10,000
- Up to a maximum Prescribed Part of £600,000.

At present, subject to the outcome of our ongoing investigations and the eventual sale of the Waterside Resort, it remains uncertain as to whether a Prescribed Part fund will be established in this case.

8.3 Preferential creditors

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

Ordinary preferential creditor	SOA claims £	Claims received £
Redundancy Payments Service	749.34	749.34
Total	749.34	749.34

At present, we do not expect that realisations will be sufficient to declare a dividend to the preferential creditor. We have not, therefore, taken steps to agree the ordinary preferential creditor claims.

8.4 Unsecured creditors

We have received claims totalling £129,867.87 from 9 creditors. Total unsecured creditors as per the Company's management accounts totalled £3.3m. The management accounts did disclose amounts (c.£1.7m) owing to Dominican Republic entities together with interest payable attached to the Company's LCF loan facility (c.£0.5m).

All creditors disclosed within the Company's management accounts have been contacted to submit claims in the administration and a notice to submit claims has also been advertised in the London Gazette.

Any amounts due to LCF under the secured loan facility would represent a secured claim against the Company and not an unsecured claim.

Based on current information, we do not expect realisations to be sufficient to enable the administrators to make a distribution to unsecured creditors, other than if there were to be a Prescribed Part fund.

9. Outstanding matters

The joint administrators' costs to date are £604,565.83, as detailed in section 6, and the administrators will seek the necessary approvals to draw these costs in due course.

As referenced previously, the LCF administrators agreed that it would be appropriate to grant a proportionate indemnity to the administrators of the Company, in respect of their reasonable fees and expenses, including legal costs, to the extent these cannot be settled by the Company, or its subsidiaries' assets. It will be for the creditors of LCF to approve any such fees at the appropriate time.

On a general note, creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and investigating the former officers of the company as required by the Company Directors' Disqualification Act 1986.

The remaining actions to be concluded in the administration are as follows:

Continuing the current investigations into the Company's affairs;

Conclude investigations, and confirm the position concerning the Company's indirect interest in land in the Dominican Republic;

Continue to investigate other areas of potential claim that the Company may have;

Maintain other Prime Group companies not subject to insolvency proceedings, in order to protect and realise assets for the benefit of all stakeholders;

Should realisations be sufficient, seek approval for pre- and post-appointment remuneration and expenses, including legal costs, or otherwise call upon the LCF indemnity referred to in this report;

Assess whether asset realisations are sufficient to pay a distribution to one or more class of the Company's creditors; and

Closure of the administration, including preparing and issuing the final report.

10. Privacy and data protection

As part of our role as joint administrators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at <https://smithandwilliamson.com/rsgdpr> in respect of Smith & Williamson LLP and www.cmbukltd.co.uk/gdpr-privacy-notice in respect of CMB Partners UK Ltd.

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

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

11. Ending the administration

It is proposed that, at the appropriate time, the joint administrators will use their discretion to exit the administration by way of one of the following means.

- i. If, having realised the assets of the Company, the joint administrators think that a distribution will be made to the unsecured creditors other than by virtue of the Prescribed Part, they may file a notice with the Registrar of Companies which will have the effect of bringing the appointment of the joint administrators to an end and will move the Company automatically into CVL in order that the distribution can be made, but only if they consider that the associated incremental costs of a CVL are justified. In these circumstances the joint administrators will become the joint liquidators of the CVL. The acts of the joint liquidators may be undertaken by any one or all of them.
- ii. If the joint administrators have, with the permission of the court, made a distribution to unsecured creditors in addition to any Prescribed Part distribution, or they think that the Company otherwise has no property which might permit a distribution to its unsecured creditors, subject to there being a need for further investigations as described in section iii below, they will file a notice, together with their final progress report, at court and with the Registrar of Companies for the dissolution of the Company. The joint administrators will send copies of these documents to the Company and its creditors. The joint administrators' appointment will end following the registration of the notice by the Registrar of Companies.

- iii. Administrators have the power to bring claims against former officers of a company in respect of transactions that may have caused or exacerbated a company's insolvency. Claims with a good prospect of success may be pursued by administrators but there may be cases where it would be more appropriate if a liquidator brought the claim or where the timeframe would not be long enough, given the maximum extension period available to administrators. The proposed exit route would, in these cases, be liquidation.

The administrators will request to be discharged from liability under paragraph 98(3) of Sch B1 from the relevant creditors in due course.

12. Creditors' rights

Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors or otherwise with the court's permission) may request in writing that the administrators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this report make an application to court on the grounds that, in all the circumstances, the basis fixed for the administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the administrators, as set out in this report, are excessive.

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

On a general note, if you have any comments or concerns in connection with our conduct, please contact Finbarr O'Connell, Colin Hardman, Mark Ford, Adam Stephens or Lane Bednash in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 25 Moorgate, London, EC2R 6AY or by telephone on 020 7131 4000.

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

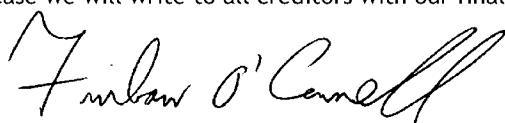
i) Email: insolvency.enquiryline@insolvency.gsi.gov.uk

ii) Telephone number: +44 300 678 0015

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

13. Next report

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



Finbarr O'Connell, Colin Hardman, Mark Ford, Adam Stephens and Lane Bednash

Joint Administrators

Date: 28 February 2022

Finbarr O'Connell, Colin Hardman, Mark Ford, Adam Stephens and Lane Bednash have been appointed as Joint Administrators of the Company on 3 February 2020.

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

All office-holders are authorised and licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. Further details of their licensing body along with our complaints and compensation procedure can be accessed at: <https://smithandwilliamson.com/en/insolvency-licensing-bodies/>

The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at:

<https://www.icaew.com/technical/insolvency/sips-regulations-and-guidance/insolvency-code-of-ethics>

The Joint Administrators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. Smith and Williamson LLP may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment.

The Fair Processing Notice in relation to the UK General Data Protection Regulation can be accessed at <http://smithandwilliamson.com/rrsgdpr>

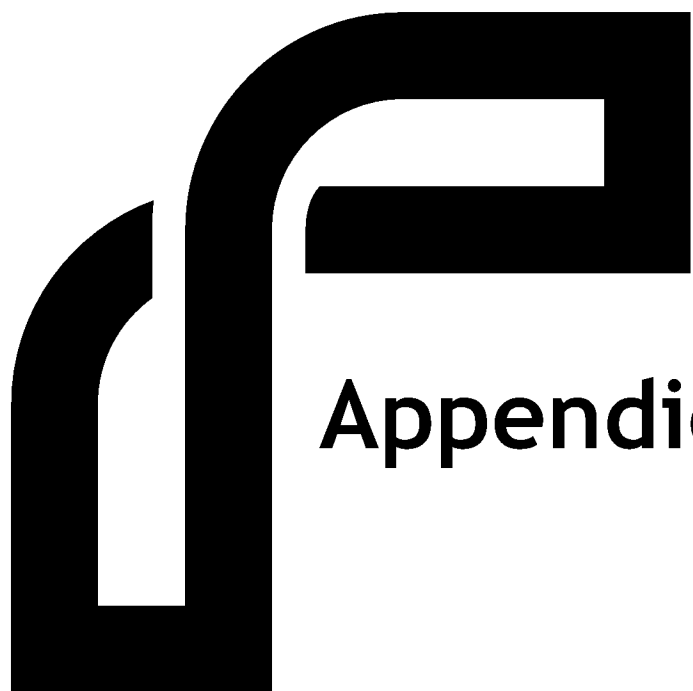
Should you wish to be supplied with a hard copy of any notice, attachment or document relating to a case matter, please contact the staff member dealing with this matter at any time via telephone, email or by post and this will be provided free of charge within five business days of receipt of the request.

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

Registered in England at 25 Moorgate, London EC2R 6AY No OC369631

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

A member of Nexia International, a worldwide network of independent accounting firms

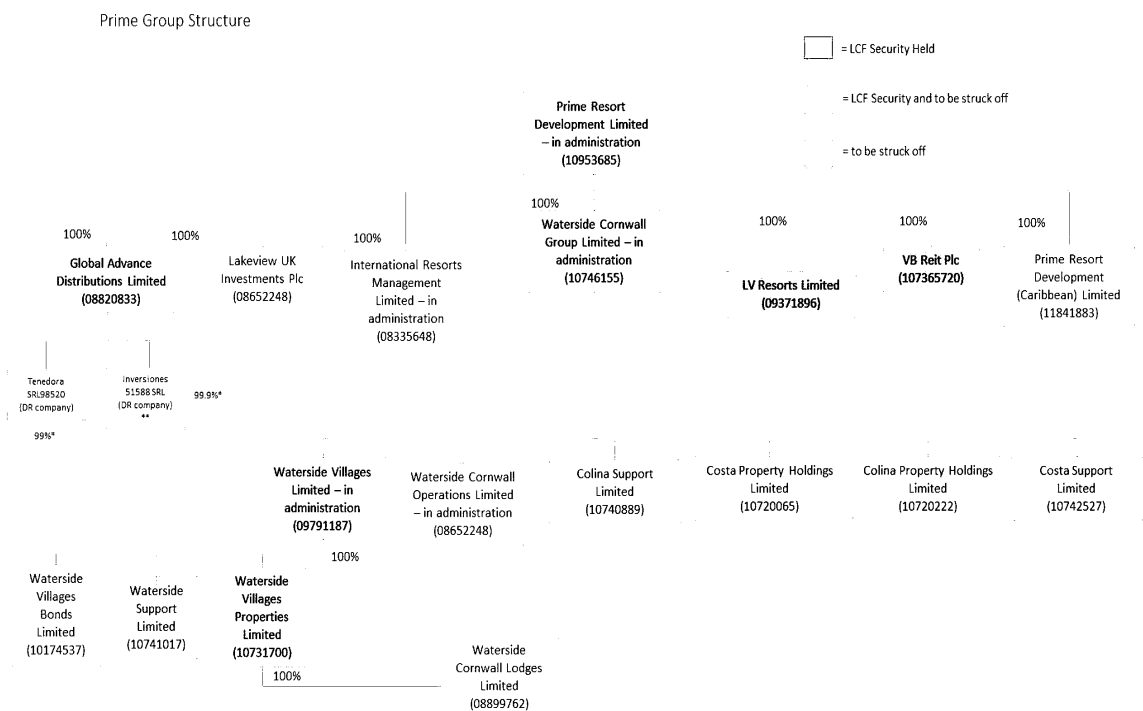


Appendices

I Statutory information

Relevant Court	High Court of Justice, Chancery Division Business & Property Court of England and Wales
Court Reference	000792 of 2020
Trading Name(s)	Prime Resort Development Limited
Trading Addresses	56 Queen Anne Street, London, W1G 8LA
Former Name(s)	None
Registered Office	25 Moorgate, London, EC2R 6AY
Registered Number	10953685
Joint Administrators	<p>Finbarr O'Connell, Colin Hardman, Adam Stephens, Mark Christopher Ford of 25 Moorgate, London, EC2R 6AY and Lane Bednash of CMB Partners UK Limited of Craftwork Studios, 1 - 3 Dufferin Street, London EC1Y 8NA</p> <p>(IP Nos 7931,16774, 9748, 9521 and 8882)</p> <p>In accordance with paragraph 100 (2) Sch B1 1A 86 a statement has been made authorising the Joint Administrators to act jointly and severally.</p>
Date of Appointment	3 February 2020
Extension period	By order of the Court until 2 February 2024
Appointor	QFCH - London Capital & Finance plc (in administration)
Director	Martin Robert Orrell - replaced after the report period end
Shareholders	Curzon Privee Consultancy Limited, Richard Deacon, Dragon Wave Holdings Limited, Eazy Corporate Services Limited, Eden Corporate Finance Limited, Malcom Fittler, Heby Ou, International Energy Investment, London Group LLP, Omnia Real Estate, Alan Sage, and Zeeteck Limited

II Group structure



III Receipts and payments account

Receipts and payments account to 2 February 2022

Prime Resort Development Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 03/08/2021 To 02/02/2022 £	From 03/02/2020 To 02/02/2022 £
ASSET REALISATIONS		
Bank Interest Gross	0.01	0.14
Cash at Bank	NIL	56.73
	<u>0.01</u>	<u>56.87</u>
	<u>0.01</u>	<u>56.87</u>
REPRESENTED BY		
Clients Deposit (Int Bearing)		56.87
		<u>56.87</u>

Notes and further information required by SIP 7

- The administrators' remuneration has not yet been approved.
- We have not yet sought approval of or drawn any other costs that would require the same approval as our remuneration.
- No payments have been made to us from outside the estate.
- Details of significant expenses paid are provided in the body of our report.
- Details of payments made to sub-contractors are shown in the body of our report.
- Information concerning our remuneration and expenses incurred is provided in the body of the report.
- Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report.
- All bank accounts are interest bearing.
- There are no foreign currency holdings.

IV Time analysis for the period

From 3 August 2021 to 2 February 2022

Smith & Williamson LLP

Prime Resort Development Limited (in administration)
Breakdown of time spent by Smith & Williamson LLP
for the period 3 August 2021 to 2 February 2022

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff			
Administration and planning								
Statutory returns, reports & meetings	1.45	6.60	1.70	23.95	0.00	33.70	13,850.66	411.00
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	1.02	10.75	4.27	8.80	0.00	24.84	11,901.91	479.21
Investigations								
Statutory books and accounting records review	0.00	0.90	0.00	0.00	0.00	0.90	551.25	612.50
SIP2 and SIP4 obligations (inc CDDA86 forms)	3.50	2.05	5.10	18.00	0.00	28.65	11,857.29	413.87
Realisation of assets								
Fixed charge Property (land and buildings)	0.00	0.00	2.30	0.00	0.00	2.30	862.50	375.00
Debtors subject to invoice discounting/factoring	0.00	0.00	0.50	0.00	0.00	0.50	187.50	375.00
Maintaining subsidiary companies								
Assurance and business services (ABS)	0.00	26.75	6.30	28.13	0.00	61.18	27,797.20	454.33
Assurance and business services	0.00	0.00	0.00	1.58	19.17	20.75	1,066.42	51.39
Corporate Tax								
Corporate Tax	9.00	0.00	3.75	15.25	0.00	28.00	11,883.75	424.42
Forensics								
Forensics	0.00	0.00	1.72	3.12	0.00	4.83	859.08	177.75
Total	14.97	47.05	25.63	98.83	19.17	205.65	£80,817.56	£392.98

Explanation of major work activities undertaken

Administration and planning

A large proportion of time during the period has been in this section. During the period, this has involved the following:

- Drafting the 3rd progress report to provide an update to the Company's creditors;
- Ensuring the administrators are compliant with their statutory requirements;
- Meetings between administrators and their staff concerning various matters relating to potential asset recoveries; and
- Understanding and maintaining Prime Group companies.

Investigations

A further amount of time has been spent in the investigations section. Often time spent in this category leads the administrators to avenues of asset realisations. During this period the administrators and their staff have:

- Reviewed the Company's books and records to assist with understanding the viability of any future legal claims;
- Assisted the Insolvency Service with their requests for information concerning the Company's operations;
 - This has also involved a review of the Company's books and records.

Realisation of assets

A proportion of time has been charged to this section of the analysis and during the period has involved investigations into the land in the Dominican Republic.

Maintaining subsidiary companies

As detailed at Appendix II, the Company is the ultimate parent of the Prime Group and a number of its subsidiaries own property/land at the Waterside Resort. A number of these subsidiaries are not in an insolvency process and therefore normal statutory submissions are required to keep the companies active and compliant. Time spent in this area during the period has specifically involved:

- Assisting with the preparation of further outstanding subsidiary company accounts;
- Liaising with Companies House concerning strike off applications;
- Filing the subsidiary companies' confirmation statements at Companies House;
- Ensuring subsidiary company registered offices are changed following the unfortunate death of their previous director;
- Appointing a new director to each of the relevant subsidiary companies and ensuring this is reflected in each company's records and at Companies House
- Liaising with the newly appointed director concerning subsidiary company assets which form part Waterside

Assurance and business services (ABS)

We utilised the services of our ABS department to assist with preparing the outstanding subsidiary accounts as detailed above. Time charged to this section incorporates the time incurred by our ABS colleagues.

Corporate tax

Our corporate tax colleagues have been engaged to provide advice on the tax implications for all the Prime Group companies parties to the sale of the Waterside Resort.

Forensics

We utilised the services of our forensics team to provide information pertaining to the Company's computers which the administrators took possession of following their appointment.

CMB Partners UK Limited

Name: Prime Resort Developments Limited								
Period: 3rd August 2021 to 2 February 2022								
Time & Chargeout Summary								
Classification	Partner/Director	Non Appointed IP	Managers	Administrators	Support Staff	Total Hours	Time Costs £	Average Hourly Rate £/hr
	Hours	Hours	Hours	Hours	Hours			
Administration/Planning								
Statutory Reports & Returns	1.40	0.00	17.50	3.10	0.00	22.00	9,990.00	454.09
Job Planning & review	3.90	0.00	9.90	4.30	0.00	18.10	8,612.50	475.83
General Case Administration	0.00	0.00	8.10	0.50	0.00	8.60	3,845.00	447.09
Sub-total	5.30	0.00	35.50	7.90	0.00	48.70	22,447.50	460.93
Investigations								
Books and Records Review	0.00	0.00	51.60	24.60	0.00	76.20	33,060.00	433.86
Legal Claims	0.50	0.00	1.10	0.00	0.00	1.60	807.50	504.69
CDDA 1986 Obligations	4.90	0.00	34.30	7.00	0.00	46.20	21,297.50	460.98
Asset Tracing/Searches	12.00	0.00	79.70	13.30	0.00	105.00	48,685.00	463.67
Sub-total	17.40	0.00	166.70	44.90	0.00	229.00	103,850.00	453.49
Realisation of Assets								
Debt Collection	0.00	0.00	3.10	1.50	0.00	4.60	1,995.00	433.70
Sale of Business	0.50	0.00	0.00	0.00	0.00	0.50	312.50	625.00
Antecedent Transactions	2.60	0.00	2.10	4.50	0.00	9.20	4,370.00	475.00
Sub-total	3.10	0.00	5.20	6.00	0.00	14.30	6,677.50	466.96
Total hours	25.80	0.00	207.40	58.80	0.00	292.00		
Total Time Costs	16,125.00	0.00	93,330.00	23,520.00	0.00		132,975.00	455.39

Administration and planning

A proportion of time during the period has been in this section. During the period, this has involved the following:

- Drafting the 3rd progress report to provide an update to the Company's creditors;
- Ensuring the administrators are compliant with their statutory requirements;
- Meetings between administrators and their staff concerning various matters relating to potential asset recoveries.

Investigations

A significant amount of time has been spent in the investigations section. Often time spent in this category leads the administrators to avenues of asset realisations. During the period of this report, Lane Bednash and his staff have carried out work on the following matters.

- Reviewing electronic downloads from the PRDL computers to ascertain the involvement of certain individuals in the running of the Company;
- Full review of the Company's bank statements, together with a review of bank transactions carried out by a connected Company relating to payments made on behalf of PRDL;
- Meetings, emails, telephone conversations etc with solicitors regarding payments made to certain companies/individuals identified following the analysis of the Company's bank account;
- Discussions between the Joint Administrators and their solicitors on the actions to be taken against certain Companies following their failure to provide an explanation for the payments made to them and failing to repay the funds following the issuing of a final demand;
- Correspondence and emails with the recipients of the funds under investigation;
- Providing assistance and documents to the Insolvency Service in relation to the report submitted by the Administrators under the Company Directors Disqualification Act 1986; and
- Ascertaining any connection between the Companies/Individuals who received funds between themselves and PRDL.

Realisation of assets

A proportion of time has been charged to this section of the analysis and during the period has involved formal demands being issued to four companies that received a number of payments from PRDL.

V Cumulative time analysis

From 3 February 2020 to 2 February 2022

Smith & Williamson LLP

Prime Resort Development Limited (in administration)
Breakdown of time spent by Smith & Williamson LLP
for the period 3 February 2020 to 2 February 2022

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff			
Administration and planning								
Statutory returns, reports & meetings	25.55	18.10	5.90	77.60	0.00	127.15	54,193.17	426.23
Initial post-appointment notification letters, including creditors	0.00	0.00	4.30	10.55	0.00	14.85	4,838.25	325.81
Cashiering general, including bonding	0.10	0.03	0.00	1.13	0.00	1.27	590.07	465.91
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	10.99	27.10	15.27	47.23	0.00	100.59	44,005.73	437.48
Post appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	0.00	0.00	0.00	0.20	0.00	0.20	53.00	265.00
Protection of company records (incl electronic)	8.40	0.00	0.00	0.00	0.00	8.40	4,998.00	595.00
Travelling	0.00	0.00	0.00	4.00	0.00	4.00	1,060.00	265.00
Filing, file and information management	0.05	0.00	0.00	0.30	0.00	0.35	115.50	330.00
Agents and advisers, general	0.00	0.00	0.00	1.60	0.00	1.60	480.00	300.00
Director/manager review, approval and signing	0.10	0.00	0.00	0.00	0.00	0.10	255.25	638.13
Investigations								
Directors' correspondence & conduct questionnaires	0.00	0.00	0.00	5.90	0.00	5.90	1,638.50	277.71
Statutory books and accounting records review	0.00	4.15	0.00	33.23	0.00	37.38	11,359.87	303.88
Investigation of legal claims	52.30	0.00	0.00	4.90	0.00	57.20	37,594.75	657.25
SIP2 and SIP4 obligations (inc CDDA86 forms)	4.50	3.05	5.35	46.55	0.00	59.45	21,338.79	358.94
Asset tracing (e.g. Land Registry and Company Searches)	0.00	0.50	0.00	0.00	0.00	0.50	306.25	612.50
Enquiries of advisers	0.00	2.30	0.00	0.35	0.00	2.65	1,432.00	540.38
Other	0.00	1.00	0.00	0.00	0.00	1.00	580.00	580.00
Realisation of assets								
Fixed charge Property (land and buildings)	1.80	0.00	2.30	5.00	0.00	9.10	3,354.00	368.57
Debtors subject to invoice discounting/factoring	0.00	0.00	0.50	0.00	0.00	0.50	187.50	375.00
Debtors not financed (includes reassigned debtors)	1.00	0.00	0.00	0.00	0.00	1.00	595.00	595.00
Sale of business as a whole, including liaison with legal advisers agents etc	2.35	0.00	0.00	0.00	0.00	2.35	1,398.25	595.00
Trading								
Staff and payroll (inc PAYE/NIC for trading period)	0.00	0.00	0.00	0.20	0.00	0.20	53.00	265.00
Creditors								
Fixed charge creditors	0.00	2.00	0.00	0.00	0.00	2.00	1,160.00	580.00
Employees & pension (other) (Incl Jobcentre/CSA etc)	0.15	0.60	0.00	7.75	0.00	8.50	2,630.38	309.46
Unsecured creditors	0.25	0.00	0.00	0.40	0.00	0.65	260.75	401.15
Maintaining subsidiary companies	0.85	44.25	8.33	66.43	0.00	119.87	50,288.66	419.54
Case-Specific 3, AML/Compliance								
AML - if done post appointment	0.00	0.00	0.00	3.20	0.00	3.20	900.50	281.11
Assurance and business services (ABS)								
Assurance and business services	0.00	0.00	4.08	6.67	62.57	73.32	4,993.80	68.11
Corporate tax								
Corporate tax	9.00	0.00	3.75	15.25	0.00	28.00	11,883.75	424.42
Forensics								
Forensics	5.00	0.00	3.88	30.88	0.00	39.77	9,004.35	226.43
Total	122.69	103.08	53.67	369.33	62.57	711.34	£271,549.08	£381.75

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff			
Pre-Appointment								
AML, Conflict & ethics checks, engagement letters	0.00	0.00	0.00	4.00	0.00	4.00	1,138.75	284.69
Appointment formalities	0.00	0.00	0.00	1.20	0.00	1.20	318.00	265.00
Preparation of pre-appointment documents	1.50	0.00	0.00	3.75	0.00	5.25	2,006.25	382.14
Job planning	71.30	0.00	1.50	0.00	0.00	72.80	48,840.00	670.88
Total	72.80	0.00	1.50	8.95	0.00	83.25	£52,303.00	£628.26

CMB Partners UK Limited

Name: Prime Resort Developments Limited								
Period: 3rd February 2020 to 2 February 2022								
Time & Chargeout Summary								
Classification	Partner/Director	Non Appointed IP	Managers	Administrators	Support Staff	Total Hours	Time Costs £	Average Hourly Rate £/hr
	Hours	Hours	Hours	Hours	Hours			
Administration/Planning								
Statutory Reports & Returns	2.90	0.00	32.00	6.60	0.00	41.50	18,284.50	440.59
Job Planning & review	19.30	11.60	18.50	15.40	0.00	64.80	33,853.50	522.43
Company Records	0.00	0.00	0.20	0.00	0.00	0.20	90.00	450.00
Partner/Manager Review	0.00	0.00	0.30	0.00	0.00	0.30	135.00	450.00
General Case Administration	0.95	3.50	21.40	4.60	1.50	31.95	14,080.25	440.70
Sub-total	23.15	15.10	72.40	26.60	1.50	138.75	66,443.25	478.87
Investigations								
Directors' Correspondence	0.00	0.20	0.00	0.00	0.00	0.20	125.00	625.00
Books and Records Review	1.90	62.40	72.80	77.60	0.00	214.70	84,144.00	391.91
Legal Claims	5.00	0.00	5.30	4.20	0.00	14.50	7,190.00	495.86
CDDA 1986 Obligations	12.40	4.50	70.10	12.80	0.00	99.80	47,227.50	473.22
Asset Tracing/Searches	24.80	44.60	104.00	15.10	0.00	188.50	95,528.00	506.78
General Investigation	0.70	4.20	0.00	0.00	0.00	4.90	3,052.00	622.86
Sub-total	44.80	115.90	252.20	109.70	0.00	522.60	237,266.50	454.01
Realisation of Assets								
Debt Collection	5.00	0.00	13.10	5.40	0.00	23.50	11,130.00	473.62
Sale of Business	0.50	0.00	0.00	0.00	0.00	0.50	312.50	625.00
Property	1.00	2.80	3.30	1.50	0.00	8.60	4,442.00	516.51
Antecedent Transactions	3.30	0.00	20.00	4.50	0.00	27.80	12,862.50	462.68
Other	0.00	0.00	0.00	0.40	0.00	0.40	200.00	500.00
Sub-total	9.80	2.80	36.40	11.80	0.00	60.80	28,947.00	476.10
Creditors								
Unsecured Creditors	0.00	0.00	0.00	0.80	0.00	0.80	360.00	450.00
Sub-total	0.00	0.00	0.00	0.80	0.00	0.80	360.00	450.00
Total hours	77.75	133.80	361.00	148.90	1.50	722.95		
Total Time Costs	48,442.25	82,606.50	161,668.00	40,000.00	300.00		333,016.75	460.64

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

Introduction

Detailed below are:

- Smith & Williamson LLP's policies in relation to:
 - Staff allocation and the use of subcontractors
 - Professional advisers
 - Expense recovery
- Smith & Williamson LLP's current charge out rates

Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a partner and a partner or director or associate director or consultant as joint office-holders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the case (including our cashiers (which is centralised and London rates apply), support and secretarial staff) charge time directly to the assignment and are included in any analysis of time charged. Each grade of staff has an hourly charge-out rate which is reviewed from time to time. Time up to 31 July 2020 is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1 minute units or multiples thereof. The minimum time chargeable is one minute. We do not charge general or overhead costs.

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

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

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

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

Use of professional advisers

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

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.

- The extent to which we believe that the advisers in question can add best value and service to the assignment.
- The expertise and experience of the service provider;
- The provider holds appropriate regulatory authorisations; and
- The professional and ethical standards applicable to the service provider.

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

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

Expenses

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

Category 2 expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

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

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

Charge out rates

A schedule of Smith & Williamson LLP's charge out rates was issued to creditors at the time the basis of the administrators' remuneration was approved.

The rates applicable to this appointment are set out below. Changes to the charge out rates during the period of this report were applied with effect from 1 July 2020 and 1 July 2021. [Notes](#)

1. Up to 31 July 2020 time is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1 minute units or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
3. The firm's cashiering function is centralised and London rates apply. Up to 31 July 2020 the cashiering function time is incorporated within 'Other professional staff' rates. From 1 August 2020 the cashiering function time is split between 'Other professional staff', 'Managers' and 'Associate Director'.
4. Partner includes a Consultant acting as an office-holder or in an equivalent role.

Smith & Williamson LLP	
Restructuring & Recovery Services	£/hr
Charge out rates as at 1 July 2021	

Partner / Director	640 - 760
Associate Director	490 - 630
Managers	370 - 540
Other professional staff	160 - 355
Support & secretarial staff	135 - 155

Smith & Williamson LLP	
Restructuring & Recovery Services	£/hr
Charge out rates as at 1 July 2020	

Partner / Director	580-710
Associate Director	495 - 580
Managers	350-500
Other professional staff	225-580
Support & secretarial staff	130

Smith & Williamson LLP	
Restructuring & Recovery Services	£/hr
Charge out rates as at 1 July 2019	

Partner / Director	580-675
Associate Director	495 - 550
Managers	340-475
Other professional staff	225-475
Support & secretarial staff	125

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

Smith & Williamson LLP	London office
Corporate Tax	£/hr
Charge out rates as at 1 July 2021	
Partner / Director	550-890
Associate Director	400-500
Managers	215-430
Other professional staff	95-230
Support & secretarial staff	55-70

Smith & Williamson LLP	£/hr
Forensics	
Charge out rates as at 1 July 2021	
Consulting Partner	808
Senior Managers	595
Other professional staff (including technical support)	196-408

Smith & Williamson LLP	
Forensics	£/hr
Charge out rates as at 1 July 2020	

Partner / Director	470
Associate Director	-
Managers	320-410
Other professional staff	240
Support & secretarial staff	-

CMB Partners UK Limited

Additional Information in Relation to the Joint Administrators' Fees, Expenses & the use of Subcontractors

Staff Allocation and the Use of Subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

On this case, CMB Partners UK Limited have entered into agreements with the following third parties:

David Hudson ("Mr Hudson") of Hudson Bay Consulting Limited ("Hudson Bay") was retained for his specific investigation skills. Mr Hudson is a licensed Insolvency Practitioner. In this respect, he has been able to identify a number of areas for investigation, some of which are in connection with the Group of connected companies which Mr Hudson is also assisting the respective office holders with.

The Joint Administrators acknowledge that Mr Hudson's support and knowledge is key to realising assets in the Administration.

Mr Hudson, through Hudson Bay, was retained as a consultant by CMB Partners UK Limited.

The time costs of Mr Hudson are recorded as part of the time costs of CMB Partners UK Limited as a Non-Appointed Insolvency Practitioner. Mr Hudson's services are charged out to insolvency appointments at £625.00 per hour, being a rate commensurate with that of an experienced insolvency practitioner; however, as stated earlier in this report, no fee approval has yet been obtained.

David Middleburgh, ("Mr Middleburgh") a solicitor of many years standing who was also a Licensed Insolvency Practitioner in the past, is retained for his specific skills in the analysis of financial data and transactions, with a specific focus on Insolvency matters and antecedent transactions.

Mr Middleburgh is retained as a consultant by CMB Partners UK Limited.

The time costs of Mr Middleburgh are recorded as part of the time costs of CMB Partners UK Ltd as a manager and during the period of this report has carried out work totalling 12.2 hours. Mr Middleburgh's services are charged out to insolvency appointments at £450 per hour, being a rate commensurate with that of an experienced insolvency manager; however, as stated earlier in this report, no fee approval has yet been obtained.

On this case we have utilised the services of the subcontractors noted below. It is considered that the cost of subcontracting this work to specialist contractors will be less than, or equivalent to, the cost of these services being undertaken by the office holders or their staff and the outsourcing of this work will bring greater efficiency to this element of the work necessary in the Administration.

Service	Provider	Work done/to be done	Basis of fee arrangement	Paid to date £	Total cost £
Investigations	David Hudson of Hudson Bay Limited	Investigations into the affairs of the Company and asset tracing.	Hourly rate agreed	Nil	£82,606.50
Investigations	David Middleburgh	Investigations into the affairs of the Company and asset tracing.	Hourly Rate Agreed	Nil	£5,490

Mr Hudson ceased to be a subcontractor for CMB Partners UK Limited on 31 October 2020 and no further costs will be incurred in this regard.

Joint Liquidators' Expenses & Disbursements

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

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

Charge-Out Rates

CMB Partners UK Limited's current charge-out rates effective from 1 July 2019 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

CMB Partners UK Limited charge out rates from 1 July 2020		(Per hour) £
Director/Insolvency Practitioner		625
Non Appointed Insolvency Practitioner		625
Managers		400 - 540
Administrators		270 - 400
Support & Secretarial		100 - 270

VII Professional advisers

Name of professional advisor	Basis of fee arrangement	B/f from previous period £	Costs incurred in current period £	Cumulative total £	Costs paid in current period £	Total costs outstanding at period end £
Mishcon de Reya (legal advice)	Hourly rate and expenses	382,107.91	77,940.00	460,047.91	-	460,047.91
Total		382,107.91	77,940.00	460,047.91		460,047.91

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

VIII Administrators' expenses

Description	B/f from previous period £	Costs incurred in current period £	Cumulative total £	Costs paid in current period £	Total costs outstanding at period end £
Statutory Advertising	182.00	-	182.00	-	182.00
Smith & Williamson LLP Administrators' bonds	140.00	-	140.00	-	140.00
CMB Partners UK Limited Administrators' bond	30.00	-	30.00	-	30.00
Total	352.00	-	352.00	-	352.00

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

IX Revised fee estimate to 2 February 2023

Smith & Williamson LLP

Prime Resort Development Limited In Administration Revised fees estimate to 2 February 2023 according to number of hours, grade of staff and expected work to be undertaken								
Anticipated case duration	3	Years						
	Partner / Director	Associate Director	Manager/ Assistant Manager	Senior Administrator	Assistants & support staff			
Hourly rate (£)	760.00	612.50	375	337.50	155			
	Hours					Total hours	Total estimated time costs (£)	Average hourly rate
Classification of work function								
Administration and planning						-	-	
Statutory returns, reports & meetings	35.00	30.00	8.00	90.00		163.00	78,350.00	480.67
Initial post-appointment notification letters, including creditors			4.60	10.55		15.15	5,285.63	348.89
Cashiering general, including bonding	0.50	0.03		2.20		2.73	1,140.88	417.90
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary and any costs of extending the administration)	25.00	45.00	15.00	70.00		155.00	75,812.50	489.11
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)		0.25		0.50		0.75	321.88	429.17
Protection of company records (incl electronic)	8.40					8.40	6,384.00	760.00
Insurance & general asset protection						-	-	
Travelling				4.00		4.00	1,350.00	337.50
Filing, file and information management	0.20	0.50		1.00		1.70	795.75	468.09
Agents and advisers, general				1.60		1.60	540.00	337.50
Director/manager review, approval and signing	1.00					1.00	760.00	760.00
Investigations						-	-	
Directors' correspondence & conduct questionnaires				5.83		5.83	1,966.75	337.50
Statutory books and accounting records review		4.00		35.00		39.00	14,262.50	365.71
Investigation of legal claims	65.00	3.00		10.00		78.00	54,612.50	700.16
SIP2 and SIP4 obligations (inc CDDA86 forms)	2.00	4.00	0.25	36.00				
Asset tracing		0.50				0.50	306.25	612.50
Enquiries of advisors		3.00		1.00		4.00	2,175.00	543.75
Other		1.00				1.00	612.50	612.50
Realisation of assets						-	-	
Freehold property (land and buildings)	3.00	4.00		6.00		13.00	6,755.00	519.62
Debtors not financed (includes reassigned debtors)	1.00					1.00	760.00	760.00
Sale of business as a whole, including liaison with legal advisors etc	2.35					2.35	1,786.00	760.00
Trading						-	-	
Staff and payroll (inc PAYE/NIC for trading period)				0.20		0.20	67.50	337.50
Creditors						-	-	
Fixed charge creditors	2.00	4.00		3.00		9.00	4,982.50	553.61
Employees & pension (other) (incl Jobcentre/CSA etc)	0.15	0.60		7.75		8.50	3,097.13	364.37
Unsecured creditors	1.00	2.50		4.50		8.00	3,810.00	476.25
Maintaining subsidiary companies	3.00	45.00	2.03	70.00		120.03	54,228.75	
Case-Specific 3, AML/Compliance						-	-	
AML - if done post appointment				3.20		3.20	1,080.00	
Assurance and business services (ABS)			8.00	12.00	50.00	70.00	14,800.00	211.43
Forensics						-	-	
Forensics	5.00		2.17	27.68		34.85	13,957.00	400.45
Total	154.60	147.38	40.05	402.01	50.00	751.79	350,000.00	465.55

CMB Partners UK Limited

CMB PARTNERS UK LIMITED FEES ESTIMATE SUMMARY			
FOR THE PERIOD 3 FEBRUARY 2020 to 2 FEBRUARY 2023			
Case Name: Prime Resort Development Limited			
<p>The office holder's remuneration is subject to approval by Creditors. In relation to time costs we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. This document provides an estimate as to how much time the office holder and his staff will spend undertaking specific tasks within broad categories of work, and the time costs in undertaking such work, which will depend upon the grade, or grades, of staff undertaking the work and the number of hours spent undertaking the work by each grade of staff. The estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate of each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at what is known as a blended hourly charge out rate for that category of work. The sum of all the estimates for the different categories of work is the total estimated time costs to undertake all the necessary work on the case. Again we have then divided that estimated total by the number of hours to arrive at a blended hourly charge out rate for the case as a whole.</p>			
Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work	Blended charge out rate to undertake the work £
ADMINISTRATION AND PLANNING			
Statutory Reports and Returns including preparation and reviewing of 6 monthly progress reports, Companies House filing, preparation of Fee Estimate Cashiering	69.00	31,619.00	458.24
Job Planning & Review, Including 6 monthly case reviews, bond reviews, time costs reviews, planning meetings with solicitors, Joint Administrators Office and case review meetings between case managers and Administrators.	128.20	67,147.00	523.77
Taxation: Including Corporation Tax, Capital Gains Tax	2.00	900.00	450.00
Company Records	2.20	990.00	450.00
Agents/Advisors/Accountants	6.00	2,700.00	450.00
Partner/Manager Reviews	12.30	6,585.00	535.37
General Case Administration	56.10	24,650.50	439.40
TOTAL	275.80	134,591.50	488.00
INVESTIGATIONS			
Correspondence with Directors/Shadow Directors and their representatives	2.00	850.00	425.00
Books and records review	319.50	125,196.00	391.85
Legal Claims: Including instructing solicitors, reviewing legal documents, meetings with solicitors and individuals relating to proceedings and attending Court hearings.	67.90	31,882.50	469.55
CDDA 1986 Obligations	144.30	68,100.00	471.93
Asset Tracing/Searches: Identifying any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.	277.95	150,659.50	542.03
General Investigation	9.90	5,302.00	535.56
TOTAL	821.55	381,990.00	464.96
REALISATION OF ASSETS			
Debt Collection	56.70	27,405.00	483.33
Asset Recovery/Monitoring	0.00	0.00	0.00
Cash at Bank	0.00	0.00	0.00
Property	17.20	8,884.00	516.51
Antecedent Transactions, Inc Wrongful Trading, Actions against Directors and Shadow Directors	54.20	24,850.00	458.48
Partner/Manager Review of assets	2.00	1,075.00	537.50
Other	5.20	2,425.00	466.34
TOTAL	135.30	64,639.00	477.75
CREDITORS			
Creditors Committee	0.00	0.00	0.00
Secured Creditors	2.00	850.00	425.00
Unsecured Creditors (Exe Crown)	0.80	360.00	450.00
Unsecured Creditors Distributions	0.00	0.00	0.00
Dealing with Proxies	0.00	0.00	0.00
General Creditors	0.00	0.00	0.00
TOTAL	2.80	1,210.00	432.14
TOTAL OF ALL CATEGORIES			
Administration and Planning	275.80	134,591.50	488.00
Investigations	821.55	381,990.00	464.96
Realisation of Assets	135.30	64,639.00	477.75
Creditors	2.80	1,210.00	432.14
TOTAL	1,235.45	582,430.50	471.43

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

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