



Park First Freeholds Limited

Park First Gatwick Rentals Limited

Park First Glasgow Rentals Limited

and Help Me Park Gatwick Limited

(all in administration)

together the “Companies”

Joint administrators' progress report for the period from 4 July
2019 to 3 January 2020

30 January 2020



Contents

1.	Glossary	1
2.	Introduction & Summary	2
3.	Progress of the administration	3
4.	Investigations	7
5.	Pre-administration costs	8
6.	Administrators' remuneration	8
7.	Administration expenses	10
8.	Estimated outcome for creditors	17
9.	Outstanding matters	18
10.	Privacy and data protection	19
11.	Ending the administration	19
12.	Creditors' rights	20
13.	Next report	20

Appendices

I	Receipts and payments account	22
II	Time analysis for the period	26
III	Fee estimate	46
IV	Staffing, charging, subcontractor and adviser policies and charge out rates	62

1. Glossary

Abbreviation	Description
the administrators/joint administrators/office holders/Convener	Finbarr Thomas O'Connell, Emma Louise Thompson, Adam Henry Stephens & Andrew Stephen McGill
BB	Buy Back
the Companies	Help Me Park Gatwick Limited, Park First Gatwick Rentals Limited, Park First Glasgow Rentals Limited & Park First Freeholds Limited
CVA	Company Voluntary Arrangement
CVL	Creditors' Voluntary Liquidation
ETR	Estimated to realise
FCA	Financial Conduct Authority, the conduct regulator for financial services firms and financial markets in the UK
GFG	Group First Global Limited
HMPG	Help Me Park Gatwick Limited
HMRC	HM Revenue & 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
LLS	Lifetime Lease Scheme
London Luton	London Luton Airport Parking Limited
MdR	Mishcon de Reya LLP - Legal advisors
PFF	Park First Freeholds Limited
PFGAT	Park First Gatwick Rentals Limited
PFGLA	Park First Glasgow Rentals Limited
PH	Paul Hastings (Europe) LLP - Legal advisors
Rental Cos	Park First Gatwick Rentals Limited and Park First Glasgow Rentals Limited
OpCos	Pay Park Limited and Airport Parking Rentals (Gatwick) Limited
Sch B1	Schedule B1 to the Insolvency Act 1986 - If preceded by P this denotes a paragraph number
S&W	Smith & Williamson LLP
SOA	Statement of Affairs
SIP	Statement of Insolvency Practice (England & Wales)

2. Introduction & Summary

This report provides an update on the progress of the administrations of the Companies for the six-month period ended 3 January 2020. By way of reminder, we, Finbarr Thomas O'Connell, Emma Louise Thompson and Adam Henry Stephens of Smith & Williamson LLP, 25 Moorgate, London, EC2R 6AY, and Andrew Stephen McGill of Smith & Williamson LLP, 3rd Floor, 9 Colmore Row, Birmingham B3 2BJ were appointed joint administrators of the Companies on 4 July 2019.

I set out below a summary of the background of the Companies and progress made since our appointment.

2.1 Background:

- The principle assets of PFF and HMPG are car parks, subject to individual investor leases, located close to Gatwick and Glasgow international airports. PFGLA and PFGAT operate Lifetime Lease Schemes (LLS) for investors in those car parking schemes.
- The car parks have continued to operate as normal during the term of the administrations. The day to day operation of the car parks continues to be managed by the OpCos, which are not in administration. The OpCos have remitted net trading profits to us on a regular basis.
- We are pursuing the objective of rescuing the Companies as going concerns, as set out in P3(1)(a) Sch B1 of the Insolvency Act 1986. However, if it is not possible to rescue the Companies as going concerns, we will pursue the second hierarchical objective, P3(1)(b) Sch B1, being to achieve a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in administration).

2.2 Progress made:

Trading / Property

- Monitoring OpCos - ongoing oversight and scrutiny of the OpCos' trade and operations. This included monitoring the weekly cash movements of the OpCos and ensuring regular receipt of net trading profits into the administrations.
- Services agreement - negotiating the terms of a transitional services agreement with the OpCos which sets out the terms of engagement with the OpCos, the regular provision of information and minimum service levels.
- Appointment of a director to the board of the OpCos - negotiating the basis of the appointment of a non-executive director to the boards in order that we can have greater insight into the trade and performance of the OpCos.
- Property matters - discussions with the OpCos regarding granting of commercial licenses, site access improvements and interested parties. Working with our property agent regarding an appraisal of the various car parks.

Statutory

- Administrators' Proposals - drafting and circulating the administrators' proposals to investors and creditors
- Creditors' meetings - requisitioning two physical creditors' meetings, reviewing/admitting thousands of claims and proxy forms, preparing for and holding creditors' meetings.
- Application to Court - directions sought from Court on various matters including: -
 - i. an extension to the period of the adjournment of the initial creditors' meetings, and
 - ii. completion of investors' proof of debt forms in order to allow for fair representation/voting power at creditors' meetings.
- Creditors' committees - formation of creditors' committees for all four of the Companies.

Administration strategy

- Property appraisal - a specialist car parking expert is working with our property agent to provide an appraisal of the car parking sites.

- Options analysis - consideration of the possible exit strategies, outcomes for investors and creditors, and considering the viability of each of these options.
- CVA proposals - work has been ongoing with our legal advisors to prepare the CVA proposals.

Investigations

- Statutory obligations - discharged statutory obligations to provide confidential reports on the conduct of the directors to the Secretary of State for Business, Energy & Industrial Strategy.
- Mis-selling / Cash tracing / Asset tracing - Our specialist forensics team is working with us to investigate all these areas.

Book debts

- There are significant inter-company debtors in all the Companies. Work has been ongoing to understand the basis of these debts and likely levels of recovery.

Investor communications

- Website updates - preparing and uploading updates to investors and creditors to the administrators' website.
- Emails and phone calls - dealing with thousands of incoming phone calls and emails from investors and responding to these or preparing revised Frequently Asked Questions to be uploaded to the administrators' website.

Other

- FCA liaison - providing regular updates to the FCA. Liaison with the FCA regarding release of funds from London Luton to meet remuneration and administration expenses and the level of expenses incurred.
- Tax - obtaining specialist advice on corporate tax matters.
- VAT - obtaining specialist VAT advice and registering the RentalCos for VAT purposes.

3. Progress of the administration

Attached at Appendix I are our receipts and payments accounts for each of the Companies for the period from 4 July 2019 to 3 January 2020.

3.1 Trading / property

Ongoing trade

PFF and HMPG own the freehold land to the 14 car parks. In total, there are over 12,000 car parking spaces. Of these, the OpCos have reported to us that approximately 70% have been operational since our appointment. We are investigating with property agents as to why the other car parks are not operational and working with them and the OpCos to come up with solutions to the problems causing their closure.

The OpCos are continuing to manage the day-to-day trade of the car parks and report the financial movements to us on a weekly basis. A summary of the trading information for the period 4 July 2019 to 3 January 2020 for the Gatwick and Glasgow sites is set out below:

	Airport Parking Rentals (Gatwick) Limited (£'000)	Pay Park Limited (£'000)
Number of operational spaces	3,355	4,811
Revenue (gross of VAT)	1,976	1,967
Trade expenses (gross of VAT)	1,514	1,621
Net trading position* (gross of VAT)	462	346
Funds transferred to relevant administration company (gross of VAT)	357	301
Rental income for the period of the administrations to 3 January 2020 shown on receipts and payments accounts (net of VAT)	298	251

*this is the net trading position before accounting for the rental payments due to LLS investors

In the interest of cost saving, we propose to settle the LLS investors' rental income either once the CVA proposals have been approved or if and when it becomes clear that CVAs are not the most appropriate strategy.

We receive details of the weekly cash movements from the OpCos. These set out all income and expenditure by the OpCos which our team reconciles with copy invoices and the OpCos bank statements. Any unexpected expenditure is queried with the finance director of the OpCos.

Transitional services agreement

Prior to our appointment, there was no formal agreement in place between the Companies and the OpCos. We have therefore been in discussion with the OpCos regarding the terms of such an agreement, the service level expected and the level of allowable costs which the OpCos are able to deduct from trading receipts.

Having this agreement in place will give us, as administrators (as well as investors and creditors), comfort going forward that the OpCos are operating in the best interest of investors and creditors, and should service levels not be achieved, another operator can be appointed.

Appointment of a non-executive director

In order to gain further insight into the trade of the OpCos, we have instructed Martin Orrell (an experienced turnaround director) to visit the OpCos with a view to being appointed to their boards of directors. This, again, will give investors and creditors comfort that an independent third party will be overseeing the trade of the OpCos' business.

At the time of writing, Martin Orrell has been appointed to the boards of directors of the OpCos and their parent company, Stronghouse Limited.

Property matters

We have obtained detailed advice from Paul Hastings ("PH") (a firm of lawyers) regarding the structure and operation of the Companies given the complexity of the group structure. Having previously worked with and advised the Companies, PH was in a unique position to be able to readily provide advice and information around the structure and operation of the Companies. This included: -

- Stages of completion of leases
 - Not all leases are fully complete.
- Various chosen deals
 - Some investors have chosen BB and some LLS. There are a number of other investors who have chosen neither and there are a range of other situations. We have had to understand what the legal position is for each of the investor 'pools'.

- Structuring of car park rentals to third parties
 - In some instances, it is more cost effective to allow a third party to operate an entire car park in exchange for a monthly payment. This has been the case for one of the Companies' car parks. We required input from both our property expert and legal advisors on how this could legally be achieved.
- Personal Compensation Offers (“PCOs”) / gift /swap spaces
 - We have instructed PH to advise on the position of PCOs, gift and swap spaces.
- Understanding the obligations to investors under the terms of their LLS
 - When a company goes into administration the administrators may choose to continue with certain contractual agreements. For example, paying rent to a landlord. We are therefore considering advice regarding our obligations to investors under the terms of their leases.

3.2 Statutory

There are numerous statutory obligations which we must undertake. Whilst in some instances these may not necessarily provide a direct financial benefit to investors or creditors, they are requirements of insolvency legislation and must therefore be undertaken.

Administrators' Proposals

Drafting and circulating the administrators' proposals to investors and creditors.

Creditors' meetings on 1 October 2019

Under insolvency legislation, administrators are not allowed to call a physical creditors' meeting unless one is requested by investors or creditors. Once the request was made for the Companies, we called meetings of creditors on 1 October 2019. Given the large number of investors and creditors involved in the Companies, a significant amount of work was required to review proofs of debt, proxy forms and admit or reject these for voting purposes. You will recall that the meetings were then adjourned following proposed modifications from some investors to immediately place the Companies into liquidation with another firm of insolvency practitioners.

Application to court

We made an application to Court for a number of reasons. We sought and obtained a longer extension to the adjourned creditors' meetings, until 25 November 2019. We also sought directions from the Court regarding the treatment of investors' and creditors' claim values for voting purposes. The Court was not able to provide the directions sought and we therefore took the decision to pre-populate investors' and creditors' claim forms setting out how much they were owed and from which Companies, so that claims were admitted and treated on a consistent and fair basis given the high number of investors and creditors who did not know which company/companies they had a claim against.

Pursuant to R3.35 of the IR26, the administrators' proposals must contain details of all the Companies' creditors, including names and contact details. However, when we circulated our Proposals to investors and creditors, we withheld from publication the list of investors' and creditors' names and addresses due to GDPR concerns around publishing large amounts of personal data. The Court ratified our decision.

Creditors' meetings on 25 November 2019

There was a significant amount of work involved in reviewing and admitting investors' and creditors' claims and proxy forms. At these second meetings, the administrators' proposals were approved, by the majority of investors and creditors, before accounting for the inter-group/connected companies. It was also agreed that creditors' committees would be formed for all the Companies.

The process of requisitioning two creditors' meetings has meant that a significant amount of time (both by us and legal advisors) was necessarily spent dealing with these matters.

Creditors' committees

Following the second creditors' meetings, creditors' committee members were voted on and elected. The relevant members and representatives have now signed consents to act and confidentiality agreements. The first meetings of the creditors' committees were held after the period covered by this progress report.

3.3 Administration strategy

Property appraisal

A car parking specialist has been instructed to undertake an appraisal of the value of the car parks. This work is now complete, and summarised details of the appraisal will be shared with the creditors' committees in due course, which will be bound by their confidentiality agreements. If details of the appraisals are made publicly available it is likely to have a detrimental impact on any possible future values to be achieved from the car parks, if sold, and in turn, the potential returns to investors and creditors.

Options analysis

Whilst the CVAs are one of the options being considered we are reviewing all options available (including a sale of assets in the Companies, putting the Companies into liquidation and pursuing various legal actions). The options and the outcomes will be set out to investors and creditors so they are fully informed on what the various outcomes will mean for them, the likely time scales involved and the dividend returns they can expect. We will have a better indication of when the options can be presented once our investigations have been concluded.

3.4 Investigations

Our investigation work streams include: -

- considering whether miss-selling has taken place, and, if so, whether a claim for some form of compensation could be available to the administrators for the benefit of the investors and creditors.
- tracing the movement of funds that were realised from the sale of the original investments into the car parks by the selling companies and checking whether all of the funds, including the commissions payable to introducers, were accounted for properly.
- Identifying whether any other assets have been acquired using the funds raised from selling the car park investments and considering whether any claims could be brought, such that any of those assets might be made available to investors and creditors.

This work is ongoing and the progress will be discussed with the creditors' committees. Investors and creditors will appreciate that to discuss these matters openly could prejudice our investigations and could ultimately impact the level of recoveries and in turn funds available for return to the investors and creditors.

3.5 CVA Proposals

We have been working with PH to prepare CVA proposals for the Companies. The CVA proposals will seek to regularise the position of the various agreements and stages of completion in which the investors currently find themselves.

The creditors' committees will be consulted regarding the terms of the CVA proposals.

In order to propose these CVAs, we will need to know that this is the best outcome for the investors and creditors as well as having confidence that the Companies will be able to continue to trade profitably after they exit administration.

It is possible that the CVAs will provide a better return for investors and creditors by virtue of a cash injection of £33m, before costs. These funds comprise the sales proceeds from a car park at Luton Airport, currently held by another group company and a contribution from a director. The way in which it is envisaged that these funds will be shared amongst investors and creditors through CVA processes is yet to be finalised.

If CVAs are agreed for the Companies, this will restrict the ability to make any possible recoveries from the investigatory work which is currently being undertaken. However, when we prepare comparative outcomes for the various insolvency procedures, we will consider any amounts that we believe might be recoverable from such litigation (as well as the associated costs) in order that a fair comparison can be drawn.

Whilst it was initially hoped that the CVA proposals could be circulated in October / November 2019, the additional creditors' meetings and the complications involved in formulating the CVA proposals has meant that this process has been delayed. It is hoped that the CVA proposals will be issued in March 2020.

3.6 Inter-company debtors

Set out below is a summary of the Companies' debtors as set out in the directors' SOAs:

	Debtors £	Estimated to realise per SoA £
PFF	40,362,910	1,649,124
HMPG	26,388	Nil
PFGAT	24,828,865	Nil
PFGLA	52,344,280	Nil

We are working with the group's FD to understand how these debtors are made up and the likelihood of being able to make a recovery in relation to the PFF debtor.

3.7 Investor communications

Given the large number of investors and creditors impacted by the administrations, it is most cost effective to deal with requests from investors and creditors on a collective basis, through updates on the administrators' website. Where possible, our team has been replying to investors and creditors personally. We have received over 11,000 emails from investors since our appointment.

To this end, we have provided several Frequently Asked Questions sheets and various other updates through the administrators' website at www.smithandwilliamson.com/park-first. Investors and creditors should continue to check this website and also www.ips-docs.com for further information and updates.

3.8 Other matters

FCA

We have continued to work with the FCA throughout the administrations and have held a number of telephone calls and meetings with the FCA to ensure it is kept up to date with our proposed strategy for the administrations and as regards progress.

In the period of this report, the FCA commenced proceedings against other Group companies and certain directors. Please note that the proceedings do not include the Companies.

Tax and VAT

Tax and VAT specialists have been consulted (given the size and complexity of the cases) to ensure statutory compliance and also that appropriate tax advice is obtained.

The two "Rental" companies had not been registered for VAT and so we have engaged with HMRC to work through the Companies' VAT obligations.

4. Investigations

Under the Company Directors Disqualification Act 1986 we have a duty to make a submission to the Secretary of State for Business, Energy & Industrial Strategy on the conduct of all those persons who were directors at the date the Companies entered administration or who held office at any time during the three years immediately preceding the administration.

We have complied with our duty in this regard. As all submissions are strictly confidential, we are unable to disclose their content.

Additionally, we have a duty to investigate transactions to establish whether there may be any actions worth pursuing for the benefit of investors and creditors, for example, by way of legal proceedings. Following our

appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment considered information provided by investors and creditors. Our work in this area is ongoing and will be discussed in greater detail with the creditors' committees.

5. Pre-administration costs

The pre-administration costs were reported in the administrators' proposals dated 27 August 2019 and approved by a majority vote of creditor and investors at the adjourned creditors' meetings. We have sought and received approval of these costs from the creditors' committees after the period covered by this report.

6. Administrators' remuneration

As a creditors' committee has been formed for each of the Companies, it will be for the members of the committees to approve the basis and quantum of the administrators' remuneration.

We are proposing to charge our fees on a time costs basis. A summary of the costs covering the period of this report is set out below:

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Fees paid £
PFF 4 July 2019 to 3 January 2020	623.35	326,114.90	523.17	Nil
HMPG 4 July 2019 to 3 January 2020	445.05	249,560.40	560.75	Nil
PFGAT 4 July 2019 to 3 January 2020	2,161.92	1,210,320.31	559.84	376,500
PFGLA 4 July 2019 to 3 January 2020	2,183.67	1,220,281.31	558.82	376,500

The administrators of PFGAT and PFGLA have each received £376,500 (plus VAT) from London Luton as a contribution towards our remuneration. As a third party has provided this contribution it was not subject to approval from the creditors' committees at the time. However, the creditors' committees of those companies have since approved the payment of that remuneration.

Attached at Appendix II is a time cost analysis for the period 4 July 2019 to 3 January 2020 which provides details of the activities and costs incurred by the administrators and the various grades of staff attending to matters arising in the administrations during the period covered by this report. Details of work carried out in the period are also included in the body of this report.

As our original time cost estimates have been exceeded, we will be seeking the appropriate authority from the creditors' committees to draw fees for the period to 3 July 2020 as shown in Appendix III. Subject to the relevant authority being granted by the creditors' committees, the revised incurred time costs which may be drawn by the joint administrators will be £4,523,546 without further recourse to the creditors' committees. Appendix III provides a detailed breakdown of our anticipated future costs.

A summary of the joint administrators' costs to date, our original estimate and revised estimate is set out below:

Period	Actual costs £	Original Estimated costs £	Revised Estimated costs £
PFF	326,114.90	60,300.00	498,698.97
HMPG	249,560.40	60,300.00	376,763.35
PFGAT	1,210,320.31	524,028.00	1,819,606.77
PFGLA	1,220,281.31	524,028.00	1,835,867.25
Total	3,006,276.92	1,289,256.00	4,530,936.34

The level of our fees was discussed in the first meetings of the creditors' committees (which were held after the period covered in this report).

Please note that our original costs estimate was based on the information available at the time it was prepared. There have been very significant and substantial additional costs incurred which we could not have foreseen. We have therefore provided a revised fee estimate at Appendix III. If the fees estimate for any of the Companies is likely to be exceeded, we will need to provide a further update and seek approval from the creditors' committees before drawing any additional sums. Fees estimates may be given up to a certain milestone or for a designated period if it is not possible to provide an accurate estimate at any given point.

The very significant and substantial additional costs of the administrations is due to the work which is set out in details at Appendix III to this report. The main activities as regards this additional or enhanced work are as follows:

- The need to analyse the claims of each individual investor. Each investor falls into a certain category or sub-category and it was necessary to identify this for each investor.
- A cash tracing exercise is being carried out with regards to the c.£270m raised from the sale of the c.12,000 car parking spaces.
- The group has estimated that a profit of c.£40m was made from the sale of the car parking spaces and the administrators are assessing the accuracy of this figure and whether the Companies have any claims for the return of these funds. (Please note that the contribution of the London Luton monies will be a relevant factor with regards to any such claim.)
- A review of the c.£70m of commissions paid to the "introducers", with regards to the original purchasers of the car parking spaces, is being carried out to ascertain whether any of this amount can be reclaimed from any party.
- An assessment of potential mis-selling claims is being carried out to determine whether the administrators have claims against any parties in this regard.

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 reporting obligations required by the Company Directors' Disqualification Act 1986 and preparing six monthly progress reports.

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

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

Details of S&W's charge out rates and policies in relation to the use of staff are provided at Appendix IV.

On a general note, please be aware that the charge out rates are subject to an annual review and at the time of writing it has been agreed with the creditors' committees that our charge out rates will be reduced when our current fees and expenses have been brought up to date.

7. Administration expenses

7.1 Subcontractors

We have not utilised the services of any subcontractors in this case.

7.2 Professional advisers

We have used the professional advisers listed below. We have also indicated alongside the basis of our fee arrangements with them, which are subject to review on a regular basis. All costs and expenses are shown net of VAT.

Park First Freeholds Limited

Name of professional adviser/Service(s)	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £
Paul Hastings (Europe) LLP: Legal advice	Hourly rate plus disbursements	69,130.37	0.00	69,130.37
Mishcon de Reya LLP: Legal advice	Hourly rate plus disbursements	11,889.52	0.00	11,889.52
Fraser CRE Limited: Specialist property agents	Combination of hourly rates and fixed fee plus disbursements	2,784.16	0.00	2,784.17
MAPS Solutions Europe Limited: Security agents	Hourly rate plus disbursements	360.00	0.00	360.00
Total		84,164.05	0.00	84,164.05

Help Me Park Gatwick Limited

Name of professional adviser/Service(s)	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £
Paul Hastings (Europe) LLP: Legal advice	Hourly rate plus disbursements	69,130.37	0.00	69,130.37
Mishcon de Reya LLP: Legal advice	Hourly rate plus disbursements	11,889.53	0.00	11,889.53
Fraser CRE Limited: Specialist property agents	Combination of hourly rates and fixed fee plus disbursements	2,784.16	0.00	2,784.16
MAPS Solutions Europe Limited: Security agents	Hourly rate plus disbursements	360.00	0.00	360.00
Total		84,161.06	0.00	86,161.06

Park First Gatwick Rentals Limited

Name of professional adviser/Service(s)	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £
Paul Hastings (Europe) LLP: Legal advice	Hourly rate plus disbursements	622,173.31	0.00	622,173.31
Mishcon de Reya LLP: Legal advice	Hourly rate plus disbursements	107,005.72	42,083.33	64,922.39
Fraser CRE Limited: Specialist property agents	Combination of hourly rates and fixed fee plus disbursements	25,057.52	11,666.67	13,390.85
MAPS Solutions Europe Limited: Security agents	Hourly rate plus disbursements	360.00	0.00	360.00
Total		754,596.55	53,750.00	700,846.55

Park First Glasgow Rentals Limited

Name of professional adviser/Service(s)	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £
Paul Hastings (Europe) LLP: Legal advice	Hourly rate plus disbursements	622,173.31	0.00	622,173.31
Mishcon de Reya LLP: Legal advice	Hourly rate plus disbursements	107,005.73	42,083.33	64,922.40
Fraser CRE Limited: Specialist property agents	Combination of hourly rates and fixed fee plus disbursements	25,057.52	11,666.67	13,390.85
MAPS Solutions Europe Limited: Security agents	Hourly rate plus disbursements	360.00	0.00	360.00
Total		754,596.56	53,750.00	700,846.56

Paul Hastings (Europe) LLP (“PH”)

PH provided legal advice to the Companies prior to our appointment as joint administrators. We chose to instruct PH following our appointment due to the level of knowledge and experience PH has with the Companies and the wider GFG group. PH has put ethical walls in place in order to ensure there is no conflict of interest. Where we felt that PH would not be able to provide impartial advice, we sought advice from Mdr (please see below for further detail).

A summary of the work undertaken by PH is set out below:

- Working with the administrators regarding post administration appointment and statutory matters.
- Providing legal input on the Administrators’ Proposals

- Working with the administrators to understand and evaluate the relevant company historic financial and commercial data and produce a summary report on the sources and uses of funds by the Companies.
- Attendance at meetings with the FCA and providing background to the Companies and further information as required.
- Working with the administrators to analyse the nature of investor claims, including the claims of BB and LLS creditors. Providing input on the legal jurisdictional nature of all claims.
- Developing templates for specific proposed terms regarding the CVA proposals and obtaining counsel's advice as necessary
- Attending the creditors' meetings.

PH's fees and disbursements can be summarised as follows:

Description	Amount £
Pre-administration fees (capped)	300,000.00
Pre-administration disbursements	1,191.43
Post-administration time costs	1,322,175.76
Post-administration disbursements	59,240.16
Proposed discount*	(287,000.00)
Total	1,395,607.35

*We have negotiated a commercial discount of £287,000 in relation to PH's fees.

Mishcon de Reya LLP ("MdR")

MdR has provided legal advice to the joint administrators where PH was unable to do so due to potential conflicts of interest. A summary of the work undertaken by MdR is set out below:

- Providing independent legal advice to the administrators.
- Assisting with technical insolvency matters.
- Working with the administrators to develop alternative strategies for the administrations in the event that the CVAs are unsuccessful in producing the best outcome for the creditors of the Companies.
- Providing expert legal insight into the position with regard to the interconnectedness of the Companies, the GFG group and the BB and LLS creditors.
- Working with the administrators to prepare for and attend court hearings.
- Providing advice in relation to and attendance at the creditors' meetings.
- Input on the drafting of the transitional services agreement between the Companies and the OpCos.
- Corresponding with certain creditors.
- Providing legal advice regarding the rights of certain creditors.

MdR's fees and disbursements can be summarised as follows:

Description	Amount £
Post-administration fees	205,422.00
Post-administration disbursements	32,369.00
Less: Paid to date	(84,166.66)
Total outstanding	153,623.84

Fraser CRE Limited (“Fraser”)

Fraser was instructed in order to undertake an appraisal of the underlying property / asset values and to assist with property advice more generally. This advice has included disposal options, assisting with trading matters and property matters. This advice is vital to understand the potential realisations to be achieved from a sale of the Companies' assets in order to enable a comparison of the various outcomes to be presented to investors / creditors.

Marsh Limited (“Marsh”)

Advice has been obtained from Marsh to provide a review of the current insurance policies in place and advise as to what, if any, other insurance is required to protect both investors / creditors and the administrators. To this end, the only additional insurance policy required is in relation to public liability cover for the administrators. The work undertaken by Marsh has ensured that adequate insurance cover is in place which is ultimately for the benefit of the investors / creditors.

Marsh's expenses are detailed in section 7.5 below.

MAPS Solutions Europe Limited

Provided security at the meetings of creditors in order to undertake bag searches and ensure the safety of all those present at the meetings.

7.3 Administrators' disbursements

We have paid and/or incurred the following disbursements in the current period. All costs and expenses are shown net of VAT.

Park First Freeholds Limited

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Statutory advertising	84.50	0.00	84.50
Administrators' bonds	140.00	0.00	140.00
Creditors' meetings' costs	1,166.27	0.00	1,166.27
Land Registry searches	245.00	0.00	245.00
Stationary and postage	2,925.52	0.00	2,925.52
Subsistence	213.49	0.00	213.49
Travel	1,890.36	0.00	1,890.36
Courier	151.50	0.00	151.50
Category 2 disbursements (see next section)	217.40	0.00	217.40
Total	7,034.04	0.00	7,034.04

Help Me Park Gatwick Limited

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Statutory advertising	84.50	0.00	84.50
Administrators' bonds	140.00	0.00	140.00
Creditors' meetings' costs	824.30	0.00	824.30
Land Registry searches	59.50	0.00	59.50
Stationary and postage	1,273.60	0.00	1,273.60
Subsistence	55.43	0.00	55.43
Travel	296.25	0.00	296.25
Category 2 disbursements (see next section)	118.80	0.00	118.80
Total	2,852.38	0.00	2,852.38

Park First Gatwick Rentals Limited

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Statutory advertising	84.50	0.00	84.50
Administrators' bonds	140.00	0.00	140.00
Creditors' meetings' costs	817.50	0.00	817.50
Land Registry searches	4.75	0.00	4.75
Stationary and postage	7,367.07	0.00	7,305.87
Subsistence	57.83	0.00	57.83
Travel	609.40	0.00	609.40
Category 2 disbursements (see next section)	180.00	0.00	180.00
Total	9,199.85	0.00	9,199.85

Park First Glasgow Rentals Limited

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Statutory advertising	84.50	0.00	84.50
Administrators' bonds	140.00	0.00	140.00
Creditors' meetings' costs	817.50	0.00	817.50
Land Registry searches	155.00	0.00	155.00
Stationary and postage	7,479.58	0.00	7,479.58
Subsistence	55.42	0.00	55.42
Travel	290.53	0.00	290.53
Category 2 disbursements (see next section)	292.00	0.00	292.00
Total	9,375.73	0.00	9,375.73

7.4 Category 2 disbursements (see Appendix IV)

The following Category 2 disbursements have been incurred in the current period:

Park First Freeholds Limited

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Business mileage @ HMRC rates	118.80	0.00	118.80
Total	118.80	0.00	118.80

Help Me Park Gatwick Limited

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Business mileage @ HMRC rates	118.80	0.00	118.80
Total	118.80	0.00	118.80

Park First Gatwick Rentals Limited

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Business mileage @ HMRC rates	118.80	0.00	118.80
Total	118.80	0.00	118.80

Park First Glasgow Rentals Limited

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Business mileage @ HMRC rates	118.80	0.00	118.80
Total	118.80	0.00	118.80

Approval to recover the Category 2 disbursements shown above will require the consent of the creditors' committees.

7.5 Other expenses

Other expenses (i.e. those not detailed in the preceding sections) paid during the period covered by this report are shown in the receipts and payments summary at Appendix I. Detailed below are those expenses which we consider to be significant in the context of this case. Also detailed below are expenses incurred but not paid in the current period:

Park First Freeholds Limited

Supplier/Service provider	Nature of expense incurred	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Marsh Limited: Insurance	Insurance Premium	17,360.00	0.00	17,360.00

Help Me Park Gatwick Limited

Supplier/Service provider	Nature of expense incurred	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Marsh Limited: Insurance	Insurance Premium	2,240.00	0.00	2,240.00

7.6 Policies regarding use of third parties and disbursement recovery

Appendix IV provides details of S&W's policies in relation to the use of subcontractors and professional advisers, and the recovery of disbursements.

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 using the applicable rate on 4 July 2019. If any creditor considers the rate to be unreasonable, they may apply to court for determination.

8.1 Secured creditors

There are no secured creditors.

8.2 Prescribed Part

The Company did not grant any floating charges and so the Prescribed Part requirements do not apply.

8.3 Preferential creditors

There are no preferential creditors of the Companies.

8.4 Investors and unsecured creditors

We have received claims from creditors and investors in respect of the Companies, a breakdown of this is shown in the table below.

Company	Total value of claims received £	Number of claims received	SOA amount £
Help Me Park Gatwick Limited	29,324,017.45	260	3,814,503.00
Park First Freeholds Limited	56,458,290.35	1169	40,367,053.00
Park First Gatwick Rentals Limited	16,357,342.96	403	1,582,685.00
Park First Glasgow Rentals Limited	37,320,207.79	971	5,140,440.00

Note that these values are calculated from the claims received in relation to the adjourned creditors' meetings from the figures provided to investors and creditors in the pre-populated proof of debt forms.

It is anticipated that realisations will be sufficient to pay a dividend to investors and unsecured creditors. Given that CVAs may be proposed but that the terms of the proposed CVAs have not been finalised as yet, we have not taken steps to start to agree investors' and unsecured creditors' claims for dividend purposes at this time.

9. Outstanding matters

There are still significant steps to take before we will be in a position to finalise the administrations of the Companies. These include:

- Finalising the options reviews and devising a strategy for getting the best return for investors and creditors.
- working with the creditors' committees to understand investors' and creditors' views, financial positions and any relevant information they have regarding the Companies' affairs.
- Consideration of alternative strategies and the various outcomes for investors.
- Complete investigatory and asset tracing work.
- Finalising the CVA proposals and consulting with investors and the creditors' committees regarding the same.
- **Providing investors and creditors with a document setting out the administrators' conclusions and recommendations as to the optimal strategy to maximise the financial return to them. If these conclusions recommend a CVA then also setting out the estimated alternative financial options for the investors and creditors.**
- **Providing the investors and creditors with an opportunity to vote on the alternative financial outcome strategies available to them.**
- Conducting statutory and regulatory work under insolvency legislation and from a corporate tax and VAT perspective.
- Agreeing the level of the administrators' fees and discharge from liability with the creditors' committees.

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>

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 administrations

Following approval of the joint administrators' proposals, at the appropriate time, the joint administrators will use their discretion to exit the administrations by way of one of the following means: -

- i. Should it not be possible to propose and conclude CVA proposals acceptable to the creditors, including the BB and the LLS creditors, of each of the Companies, we will follow whatever other alternative strategy is necessary to bring about the best return for creditors, in all the circumstances. In this regard, in the event that the joint administrators are unable to rescue the individual Companies as going concerns they will continue to manage the affairs of the Companies with the objective of achieving a better result for the individual Companies' creditors as a whole than would be likely if the individual Companies were wound up (without first being in administration) pursuant to P3(1)(b) Sch B1.
- ii. Should it not be possible to propose and conclude CVA proposals acceptable to the creditors of each of the Companies, the administrators may, having realised the assets of the Companies, if they think that a distribution will be made to the Companies' creditors, propose filing a notice with the Registrar of Companies with regard to each of the Companies which will have the effect of bringing the appointment of the joint administrators to an end and will move each company automatically into CVL in order that the distributions to creditors can be made, but only if they consider that the associated incremental costs of a CVL are justified. In these circumstances, the joint administrators, Finbarr Thomas O'Connell, Emma Louise Thompson, Adam Henry Stephens & Andrew Stephen McGill will become the joint liquidators of the CVLs. The acts of the joint liquidators may be undertaken by any one or by all of them. If the administrators do not consider that the associated incremental costs of a CVL are justified they will adopt the approach set out in the next paragraph.
- iii. Should it not be possible to propose and conclude CVA proposals acceptable to the creditors of each of the Companies, the administrators may, having realised the assets of the Companies, should they consider it appropriate and cost effective to do so, make an application to court for permission to make any distribution to the unsecured creditors, including the BB and the LLS creditors, in the administration instead of moving the Companies to CVL and then making a distribution. If the administrators, with the permission of the court, make a distribution to unsecured creditors, or they think that the Companies otherwise have no property which might permit a distribution to their unsecured creditors, subject to there being a need for further investigations as described 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 Companies. The administrators will send copies of these documents to the Companies and their creditors. The administrators' appointment will end following the registration of the notice by the Registrar of Companies.
- iv. Should it not be possible to propose and conclude CVA proposals acceptable to the creditors of each of the Companies, the administrators will, if they conclude that any of the individual Companies has no property which might permit a distribution to its creditors, file a notice with the court and the

Registrar of Companies for the dissolution of those of the Companies which these circumstances relate to.

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.

Authorisation for the joint administrators to be discharged from liability under P98(3) of Sch B1 immediately upon their appointment as administrators ceasing to have effect has been sought and granted from the Creditors' Committee.

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.

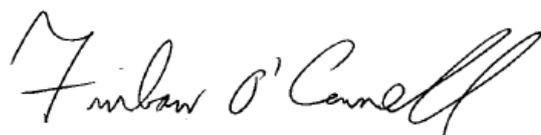
On a general note, if you have any comments or concerns in connection with our conduct, please contact Finbarr Thomas O'Connell or Emma Louise Thompson in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 25 Moorgate, London EC2R 6AY 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

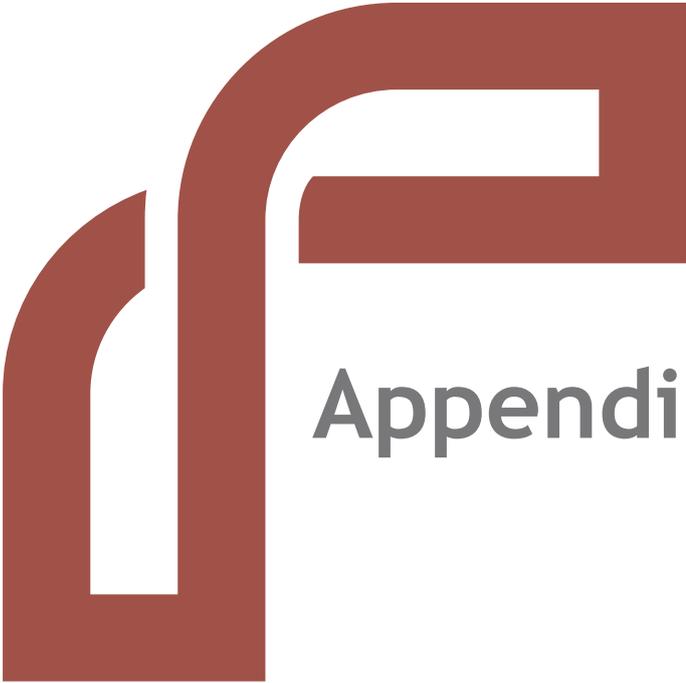
We are required to provide a further report on the progress of the administration within one month of the end of the next six month period of the administration unless we have concluded matters prior to this, in which case we will write to all creditors with our final report.



Finbarr Thomas O'Connell, Emma Louise Thompson, Adam Henry Stephens and Andrew Stephen McGill

Joint Administrators

Date: 30 January 2020



Appendices

I Receipts and payments accounts from 4 July 2019 to 3 January 2020

**Help Me Park Gatwick Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

	From 04/07/2019 To 03/01/2020 £
Receipts	
Bank Interest Gross	0.74
Contribution to Administration Expenses from London Luton	<u>2,314.64</u>
	2,315.38
	<u>2,315.38</u>
Represented by	
Deposit account (Interest Bearing)	2,315.38
	<u>2,315.38</u>

**Park First Freeholds Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

From 04/07/2019

To 03/01/2020

£

Receipts

Bank Interest Gross	8.24
Contribution to Administration Expenses from London Luton	<u>25,685.36</u>
	25,693.60

25,693.60

Represented by

Deposit account (interest bearing)	25,693.60
------------------------------------	-----------

25,693.60

Park First Gatwick Rentals Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

	From 04/07/2019 To 03/01/2020 £
Receipts	
Bank Interest Gross	378.33
Contribution to Administration Expenses from London Luton	234,950.14
Rental Income	297,915.00
VAT Payable	59,583.00
	<hr/> 592,826.47
Payments	
Agents/Valuers Fees	11,666.67
Legal Fees	42,083.33
Bank Charges	2.50
VAT Receivable	10,750.00
	<hr/> 64,502.50
	<hr/> 528,323.97 <hr/>
Represented by	
Deposit account - Contribution account (interest bearing)	167,803.91
Deposit account (interest bearing)	360,520.06
	<hr/> 528,323.97 <hr/>

**Park First Glasgow Rentals Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

From 04/07/2019

To 03/01/2020

£

Receipts

Bank Interest Gross	397.67
Contribution to Administration Expenses from London Luton	478,449.86
Rental Income	250,682.50
VAT Payable	50,136.50
	779,666.53

Payments

Agents/Valuers Fees	11,666.67
Bank Charges	2.50
Legal Fees	42,083.33
VAT Receivable	10,750.00
	64,502.50

715,164.03

Represented by

Deposit account - Contribution account (interest bearing)	411,381.69
Deposit account (interest bearing)	303,782.34

715,164.03

Notes and further information required by SIP 7

- The basis and quantum of administrators' remuneration is subject to approval by the creditors' committees.
- Payments have been made to us by London Luton Airport Parking Ltd. These amounts are shown above as Contribution to Administration Expenses from London Luton.
- Details of significant expenses paid are provided in the body of our report.
- No payments were made to sub-contractors.
- Information concerning our remuneration and disbursements incurred is provided in the body of the report.
- Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report.
- All bank accounts are interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT.

II Time analysis for the period

Park First Freeholds Limited (the “Company”)

Classification of work function	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff	Total hours	Time cost	Average hourly rate
Administration and planning								
Statutory returns, reports & meetings	3.66	19.88	18.10	9.74	0.52	51.90	33,165.22	639.02
Initial post-appointment notification letters, including creditors	0.00	0.33	0.78	1.49	0.40	3.00	1,461.29	487.10
Cashiering general, including bonding	0.00	0.10	0.17	1.00	0.00	1.27	901.80	710.08
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	12.48	3.46	4.11	21.01	0.42	41.48	25,500.37	614.76
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	1.64	0.77	0.45	0.00	0.00	2.86	2,444.38	854.68
Protection of company records (incl electronic)	0.00	0.00	0.20	0.00	0.00	0.20	108.00	540.00
Insurance & general asset protection	0.00	0.00	0.08	0.35	0.00	0.43	200.70	466.74
Travelling	0.00	0.63	0.72	0.00	0.00	1.35	861.54	638.18
Filing, file and information management	0.00	0.09	0.16	1.45	0.00	1.70	810.90	477.00
Company searches	0.00	0.00	0.01	0.00	0.00	0.01	5.40	540.00
Agents and advisers, general	0.00	0.45	0.65	0.00	0.00	1.10	687.69	625.17
Filing - Administration and planning	0.00	0.23	0.06	0.40	0.00	0.69	386.35	559.93
Director/manager review, approval and signing	0.00	1.66	0.01	0.00	0.00	1.67	1,250.42	748.76
Other	0.00	0.99	1.17	1.83	0.50	4.49	2,381.53	530.41
Investigations								
Directors' correspondence & conduct questionnaires	0.00	0.32	0.04	0.15	0.00	0.51	342.39	671.36
Creditor & shareholder complaints	0.00	0.39	0.00	0.85	0.00	1.24	675.00	544.35
Statutory books and accounting records review	0.00	0.15	0.00	0.35	0.00	0.50	301.50	603.00
Investigation of legal claims	25.75	3.26	0.22	0.80	0.00	30.03	25,637.80	853.74
SIP2 and SIP4 obligations (inc CDDA86 forms)	0.00	2.30	0.61	0.95	0.00	3.86	2,553.90	661.63
Asset tracing (e.g. Land Registry and Company Searches)	0.00	1.05	9.11	2.65	0.00	12.81	8,186.40	639.06
Enquiries of advisers	0.00	1.10	0.00	0.40	0.00	1.50	1,041.00	694.00
Director/manager review, approval and signing	0.00	0.00	0.05	0.00	0.00	0.05	27.00	540.00
Other	0.00	0.00	1.00	0.00	0.00	1.00	540.00	540.00
Realisation of assets								
Fixed charge Property (land and buildings)	0.00	0.00	1.35	0.00	0.00	1.35	729.00	540.00
Debtors not financed (includes reassigned debtors)	0.00	0.00	0.01	0.00	0.00	0.01	5.40	540.00
Sale of business as a whole, including liaison with legal advisers agents etc	0.00	0.45	0.00	0.00	0.00	0.45	337.50	750.00
Cash at Bank	0.00	0.76	0.64	0.00	0.00	1.40	915.81	654.15
Liaising with agents (general)	0.00	1.00	0.00	0.00	0.00	1.00	750.00	750.00
Director/manager review, approval and signing	0.00	0.15	0.00	0.00	0.00	0.15	112.50	750.00
Other	0.00	0.10	2.01	0.00	0.00	2.11	1,160.40	549.95
Trading								
Sales and customers	0.00	0.00	0.32	0.00	0.00	0.32	183.30	572.81
Accounting	0.00	0.10	0.23	0.00	0.00	0.33	199.20	603.64
Director/manager review, approval and signing	0.00	0.55	0.00	0.00	0.00	0.55	412.50	750.00
Other	0.00	0.05	0.98	0.00	0.00	1.03	566.70	550.19
Creditors								
Fixed charge creditors	0.00	0.00	0.00	0.00	0.45	0.45	67.50	150.00
Employees & pension (other) (Incl Jobcentre/CSA etc)	0.00	0.00	0.00	0.03	0.09	0.12	30.67	255.56
Crown (not RPO etc)	0.00	0.73	0.01	0.00	0.00	0.74	554.35	749.13
Unsecured creditors	25.81	15.30	15.96	205.69	92.93	355.69	155,178.36	436.27
Creditors' committee	1.00	2.95	0.60	1.65	0.00	6.20	4,217.50	680.24
Director/manager review, approval and signing	0.00	0.95	0.00	0.00	0.00	0.95	712.50	750.00
Other	0.00	0.76	0.10	1.14	0.00	2.00	1,217.10	608.55
CVA Work								
CVA Work	10.35	1.55	3.35	0.00	0.00	15.25	12,107.00	793.90
Corporate Tax								
Corporate Tax	1.35	0.00	0.50	8.60	0.00	10.45	5,088.50	486.94
Forensics								
Forensics	0.00	0.00	17.85	41.30	0.00	59.15	32,098.50	542.66
Total	82.04	62.56	81.61	301.83	95.31	623.35	£326,114.90	£523.17

Explanation of major work activities undertaken

Administration and planning

This section of the analysis encompasses the cost of the administrators and their staff in complying with their statutory obligations, and internal compliance requirements and some of which may not provide a direct financial benefit to the creditors of the Company. This work includes the following:

- Statutory notifications and advertising, including for creditors' meetings
- Initial post appointment notifications to investors and creditors
- Initial post appointment notifications to the Registrar of Companies

- Initial post appointment notifications to HMRC
- Maintenance of compliance checklists in relation to the case
- Maintenance of the compliance diary in respect of the case
- Calculating the administrators' fidelity bonding requirement
- Completing the statutory one-month case review
- Internal case staff strategy meetings
- Internal communications with S&W's Forensics team
- General case planning and administration including case strategy decisions
- Dealing with routine correspondence
- Securing the Company's books and records, including electronic records
- Setting up and maintaining physical case files
- Setting up and maintaining IPS (case management schedule)
- Preparing the administrators' Proposals
- Instructing agents and legal advisors to assist with the case
- Communications with the administrators' legal advisors
- Preparing and submitting court documents
- Meetings and calls with solicitors regarding the Court hearing and attending the Court hearing requesting a creditor meeting adjournment extension
- Communications with the FCA
- Attending at various meetings in respect of the administration
- Attending at the Company's former trading premises
- Drafting and issuing press releases in relation to the administration

Investigations

This section relates to our statutory obligations to investigate the actions of the directors of the Company, in accordance with SIP2, and to review the Company's records with a view to making asset recoveries. The administrators have a duty to consider any potential claims that the Company may have against third parties that may give rise to potential claims for the benefit of the Company's creditors. This work included the following:

- Corresponding with directors in accordance with our duties under SIP2
- Issuing our directors' questionnaire to the directors and former directors of the Company
- Meeting with some of the directors of the Company
- Investigating the actions of various parties in the lead up to the administration of the Company
- Reviewing the Company's books and records in relation to the administrators' investigations
- Reviewing all financial transactions carried out by the Company, or on the Company's behalf by various parties, including preparing summaries and associated schedules
- Review of the Company's financial accounting records
- Making enquiries of various parties associated with the Company in respect of the Company's finances and other business activities
- Assisting the FCA with their enquiries including providing information requested
- Liaising with the FCA by way of various conference calls

Trading & Asset Realisation

- Communications with the Company's bankers
- Working with legal advisors and property agent to discuss tenant(s) and access issues
- Consideration of potential assets available to realise
- Instructing and liaising with agents to complete valuations of the car park sites

- Meetings and discussions with property agents to explain structure and trade
- Reviewing and discussing the appraisal document from the property agent
- Considering whether trading income should be allocated to the freehold companies or solely rental companies

Creditors / Investors

This section is in relation to time spent in dealing with correspondence from creditors, including both investors and trade and expense creditors. It should be noted that as there are a substantial number of investors who have been affected by the administration of the Company the joint administrators and their staff have incurred a significant amount of time in dealing with a wide range of communications with investors and creditors.

There are also a number of trade and expense creditors and the work involved in dealing with them has been taken into account in this section. Some of this work may not provide a direct financial benefit for the creditors of the Company, however, it is crucial that creditors are kept informed of the progression of the case. This work included the following:

- Dealing with personal information update requests from investors and creditors including updating email and postal addresses
- Dealing with telephone calls received from investors and creditors
- Drafting and issuing responses to written correspondence received from investors and creditors
- Monitoring and responding to emails received to the dedicated Park First mailbox
- Preparing and updating the frequently asked questions documents for the benefit of the Company's investors and creditors
- Logging investors' and creditors' claims and their preferences as regards communications with the administrators
- Preparing documents necessary for holding the physical meetings of the investors and creditors
- Preparing for and attending the physical meetings of investors and creditors
- Logging over 3,000 claim forms and proxy forms received from creditors/investors before and after both meetings
- Email and letter communications with investors and creditors and providing updates to the Smith & Williamson LLP 'Park First' webpage
- Preparing documents to form the creditors' committee
- Communications with nominated members and representatives of the proposed creditors' committee

CVA Work

- Liaising with solicitors and other advisors to consider exit strategy to prepare CVA proposals
- Preparing draft CVA proposals

Corporate Tax

- Internal discussions with the administrators' tax team to develop an understanding of the case
- Reviewing the Company's tax position

Forensics

- Assisting with obtaining and securing company records
- Consider claims of mis-selling
- Tracing the proceeds from the sale of car parking spaces and how these funds have been used amongst the members of the GFG group
- Undertaking investigations into the Company's records to help identify potential assets
- Several site visits to the Company's premises in order to obtain and interrogate the Company's financial information

Differences between the estimated fees and actual fees incurred

The following gives a summary of our original estimates, provided in our proposals, and the actual time costs incurred as at 3 January 2020 for ease of comparison:

Task	Estimated fees to be incurred	Actual Fees Incurred £
Administration and Planning	18,510.00	70,165.61
Investigations	9,460.00	39,305.00
Tax	5,040.00	5,088.50
Trading & Realisation of Assets	3,045.00	5,372.31
Creditors	4,210.00	161,977.98
Forensics	2,520.00	32,098.50
CVA Time	17,515.00	12,107.00
Total	60,300.00	326,114.90

The material differences between our original estimates and what has been incurred as at 3 January 2020 can be explained as follows:

Administration and planning (£51,655 underestimated)

Time for administration and planning was underestimated due to the following reasons:

Insolvency legislation only allows for physical investors' and creditors' meetings to be held only under certain circumstances. We therefore believed that our proposals would be considered and voted on by postal voting, rather than at a physical creditors' meeting. We had not factored this cost in.

Furthermore, at the initial creditors' meeting it was necessary to adjourn the meeting due to the proposed modifications which were issued by certain investors shortly prior to the meeting. Again, this cost of requisitioning second creditors' meeting was not included in our fees estimate.

We also made an application to Court (further details of which have already been provided to investors and creditors), the cost of which was not factored into our fees estimate.

Investigations (£29,845 underestimated)

Investigations time has been underestimated due to the following reasons:

At the time of preparing the fees estimate, whilst we were aware of a number of work streams that required investigating, we had not fully appreciated the complexity of the relationships and number of companies that would be involved. We had also not realised the very substantial amount of work which would be involved in the cash tracing, introducer commission analysis, mis-selling claim analysis and in categorising each investor into their appropriate investor category.

In addition, after the creditors' meeting, it became clear that investors had substantial information to assist with our investigations to be completed into the affairs of the Company.

We are unable to disclose the full nature of our investigations as they are ongoing and in doing so may prejudice potential claims against third parties.

We have received a number of complaints about the Company's trading prior to administration.

Tax (£48 underestimated)

Tax have been underestimated due to the following reasons:

Advice has been obtained regarding the VAT position of the OpCos and whether the Companies will need to account for this with HMRC.

Trading and Realisation of Assets (£2,327 underestimated)

Time for realisation of assets has been underestimated due to the following:

The Company's bankers have not co-operated with our enquiries which has led to a delay in obtaining information regarding the cash at bank position of the Company.

Creditors (including investors) (£157,767 underestimated)

The Creditors' costs have been underestimated due to the following reasons:

Across the Companies, we have received over 11,000 emails. We significantly under-estimated the volume of queries and the amount of time it would take to deal with these queries.

The various different ways in which investors valued their claims has led to increased costs being incurred in dealing with admission of these claims for voting and claims purposes on a fair and consistent basis.

Holding two physical creditors' meetings for the Companies has resulted in significantly higher costs in handling the level of claim and proxy forms from investors and creditors as well as the increased number of queries this generated. The most recent creditors' meetings for the Companies resulted in over 3,000 claims and proxy forms being received, all of which needed to be reviewed and recorded.

Forensics (£29,578 underestimated)

Forensics time has been underestimated due to the following reasons:

We have engaged their forensic specialists to undertake certain investigations into the Company's affairs. These investigations involve the tracing of cash movements in the Company and a thorough review of the Company's records.

Help Me Park Gatwick Limited (the “Company”)

Classification of work function	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff	Total hours	Time cost	Average hourly rate
Administration and planning								
Statutory returns, reports & meetings	3.36	20.68	19.10	8.24	0.52	51.90	33,262.72	640.90
Initial post-appointment notification letters, including creditors	0.00	0.33	0.78	0.99	0.40	2.50	1,236.29	494.52
Cashiering general, including bonding	0.00	0.40	0.17	0.60	0.00	1.17	826.80	706.67
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	11.48	2.71	3.96	17.26	0.42	35.83	22,289.37	622.09
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	1.34	0.77	0.60	0.10	0.00	2.81	2,273.38	809.03
Protection of company records (incl electronic)	0.00	0.00	0.20	0.00	0.00	0.20	108.00	540.00
Insurance & general asset protection	0.00	0.00	0.08	0.20	0.00	0.28	133.20	475.71
Travelling	0.00	0.63	0.72	0.00	0.00	1.35	861.54	638.18
Filing, file and information management	0.00	0.14	0.16	1.45	0.00	1.75	848.40	484.80
Company searches	0.00	0.00	0.01	0.00	0.00	0.01	5.40	540.00
Agents and advisers, general	0.00	0.45	0.65	0.00	0.00	1.10	687.69	625.17
Filing - Administration and planning	0.00	0.18	0.21	0.40	0.00	0.79	429.85	544.12
Director/manager review, approval and signing	0.00	1.41	0.01	0.00	0.00	1.42	1,062.92	748.54
Other	0.00	0.99	1.17	1.53	2.00	5.69	2,471.53	434.36
Investigations								
Directors' correspondence & conduct questionnaires	0.00	0.32	0.04	0.15	0.00	0.51	342.39	671.36
Creditor & shareholder complaints	0.00	0.39	0.00	0.00	0.00	0.39	292.50	750.00
Statutory books and accounting records review	0.00	0.00	0.00	0.35	0.00	0.35	189.00	540.00
Investigation of legal claims	25.55	3.01	0.42	0.75	0.00	29.73	25,355.30	852.85
SIP2 and SIP4 obligations (inc CDDA86 forms)	0.00	2.30	0.61	1.05	0.00	3.96	2,598.90	656.29
Asset tracing (e.g. Land Registry and Company Searches)	0.00	1.05	9.46	2.20	0.00	12.71	8,133.90	639.96
Enquiries of advisers	0.00	1.35	0.00	0.60	0.00	1.95	1,318.50	676.15
Director/manager review, approval and signing	0.00	0.00	0.05	0.00	0.00	0.05	27.00	540.00
Realisation of assets								
Fixed charge Property (land and buildings)	0.00	0.00	1.30	0.00	0.00	1.30	702.00	540.00
Debtors not financed (includes reassigned debtors)	0.00	0.00	0.01	0.00	0.00	0.01	5.40	540.00
Sale of business as a whole, including liaison with legal advisers agents etc	0.00	0.45	0.00	0.00	0.00	0.45	337.50	750.00
Cash at Bank	0.00	0.16	0.09	0.00	0.00	0.25	168.81	675.25
Liaising with agents (general)	0.00	0.80	0.00	0.00	0.00	0.80	600.00	750.00
Director/manager review, approval and signing	0.00	0.15	0.00	0.00	0.00	0.15	112.50	750.00
Other	0.00	0.10	0.51	0.00	0.00	0.61	350.40	574.43
Trading								
Sales and customers	0.00	0.00	0.27	0.00	0.00	0.27	156.30	578.89
Accounting	0.00	0.10	0.18	0.00	0.00	0.28	172.20	615.00
Premises issues (inc landlord and site clearance)	0.00	0.00	0.05	0.00	0.00	0.05	27.00	540.00
Director/manager review, approval and signing	0.00	1.10	0.00	0.00	0.00	1.10	825.00	750.00
Other	0.00	0.05	1.13	0.00	0.00	1.18	647.70	548.90
Creditors								
Fixed charge creditors	0.00	0.00	0.00	0.00	0.20	0.20	30.00	150.00
Employees & pension (other) (Incl Jobcentre/CSA etc)	0.00	0.00	0.00	0.03	0.09	0.12	30.67	255.56
Crown (not RPO etc)	0.00	0.03	0.01	0.15	0.00	0.19	96.85	509.76
Unsecured creditors	17.76	15.85	14.06	96.49	50.68	194.84	88,884.36	456.19
Creditors' committee	0.00	2.95	0.25	2.05	0.00	5.25	3,454.50	658.00
Director/manager review, approval and signing	0.00	0.95	0.00	0.00	0.00	0.95	712.50	750.00
Other	0.00	0.76	0.00	1.84	0.00	2.60	1,563.60	601.38
CVA Work								
CVA Work	10.35	1.65	0.75	0.00	0.00	12.75	10,778.00	845.33
Corporate Tax								
Corporate Tax	0.95	0.00	0.00	3.35	0.00	4.30	2,140.00	497.67
Forensics								
Forensics	0.00	0.00	18.40	42.55	0.00	60.95	33,010.50	541.60
Total	70.79	62.21	75.41	182.33	54.31	445.05	£249,560.40	£560.75

Explanation of major work activities undertaken

This section of the analysis encompasses the cost of the administrators and their staff in complying with their statutory obligations, and internal compliance requirements and some of which may not provide a direct financial benefit to the creditors of the Company. This work includes the following:

- Statutory notifications and advertising, including for creditors' meetings
- Initial post appointment notifications to investors and creditors
- Initial post appointment notifications to the Registrar of Companies
- Initial post appointment notifications to HMRC

- Maintenance of compliance checklists in relation to the case
- Maintenance of the compliance diary in respect of the case
- Calculating the administrators' fidelity bonding requirement
- Completing the statutory one-month case review
- Internal case staff strategy meetings
- Internal communications with S&W's Forensics team
- General case planning and administration including case strategy decisions
- Dealing with routine correspondence
- Securing the Company's books and records, including electronic records
- Setting up and maintaining physical case files
- Setting up and maintaining IPS (case management schedule)
- Preparing the administrators' Proposals
- Instructing agents and legal advisors to assist with the case
- Communications with the administrators' legal advisors
- Preparing and submitting court documents
- Meetings and calls with solicitors regarding the Court hearing and attending the Court hearing requesting a creditor meeting adjournment extension
- Communications with the FCA
- Attending at various meetings in respect of the administration
- Attending at the Company's former trading premises
- Drafting and issuing press releases in relation to the administration

Investigations

This section relates to our statutory obligations to investigate the actions of the directors of the Company, in accordance with SIP2, and to review the Company's records with a view to making asset recoveries. The administrators have a duty to consider any potential claims that the Company may have against third parties that may give rise to potential claims for the benefit of the Company's creditors. This work included the following:

- Corresponding with directors in accordance with our duties under SIP2
- Issuing our directors' questionnaire to the directors and former directors of the Company
- Meeting with some of the directors of the Company
- Investigating the actions of various parties in the lead up to the administration of the Company
- Reviewing the Company's books and records in relation to the administrators' investigations
- Reviewing all financial transactions carried out by the Company, or on the Company's behalf by various parties, including preparing summaries and associated schedules
- Review of the Company's financial accounting records
- Making enquiries of various parties associated with the Company in respect of the Company's finances and other business activities
- Assisting the FCA with their enquiries including providing information requested
- Liaising with the FCA by way of various conference calls

Trading & Asset Realisation

- Working with legal advisors and property agent to discuss tenant(s) and access issues
- Consideration of potential assets available to realise
- Instructing and liaising with agents to complete valuations of the car park sites
- Meetings and discussions with property agents to explain structure and trade
- Reviewing and discussing the appraisal document from the property agent

- Considering whether trading income should be allocated to the freehold companies or solely rental companies

Creditors / Investors

This section is in relation to time spent in dealing with correspondence from creditors, including both investors and trade and expense creditors. It should be noted that as there are a substantial number of investors who have been affected by the administration of the Company the joint administrators and their staff have incurred a significant amount of time in dealing with a wide range of communications with investors and creditors.

There are also a number of trade and expense creditors and the work involved in dealing with them has been taken into account in this section. Some of this work may not provide a direct financial benefit for the creditors of the Company, however, it is crucial that creditors are kept informed of the progression of the case. This work included the following:

- Dealing with personal information update requests from investors and creditors including updating email and postal addresses
- Dealing with telephone calls received from investors and creditors
- Drafting and issuing responses to written correspondence received from investors and creditors
- Monitoring and responding to emails received to the dedicated Park First mailbox
- Preparing and updating the frequently asked questions documents for the benefit of the Company's investors and creditors
- Logging investors' and creditors' claims and their preferences as regards communications with the administrators
- Preparing documents necessary for holding the physical meetings of the investors and creditors
- Preparing for and attending the physical meetings of investors and creditors
- Logging over 3,000 claim forms and proxy forms received from creditors/investors before and after both meetings
- Email and letter communications with investors and creditors and providing updates to the Smith & Williamson LLP 'Park First' webpage
- Preparing documents to form the creditors' committee
- Communications with nominated members and representatives of the proposed creditors' committee

CVA Work

- Liaising with solicitors and other advisors to consider exit strategy to prepare CVA proposals
- Preparing draft CVA proposals

Corporate Tax

- Internal discussions with the administrators' tax team to develop an understanding of the case
- Reviewing the Company's tax position

Forensics

- Assisting with obtaining and securing company records
- Consider claims of mis-selling
- Tracing the proceeds from the sale of car parking spaces
- Undertaking investigations into the Company's records to help identify potential assets
- Several site visits to the Company's premises in order to obtain and interrogate the Company's financial information

Notes/reconciliation differences

Task	Estimated fees to be incurred	Actual Fees Incurred £
Administration and Planning	18,510.00	66,497.11
Investigations	9,460.00	38,257.50
Tax	5,040.00	2,140.00
Trading & Realisation of Assets	3,045.00	4,104.81
Creditors	4,210.00	94,772.48
Forensics	2,520.00	33,010.50
CVA Time	17,515.00	10,778.00
Total	60,300.00	249,560.40

The material differences between our original estimates and what has actually been incurred as at 3 January 2020 can be explained as follows:

Administration and planning (£47,987 underestimated)

Time for administration and planning was underestimated due to the following reasons:

Insolvency legislation only allows for physical investors' and creditors' meetings to be held only under certain circumstances. We therefore believed that our proposals would be considered and voted on by postal voting, rather than at a physical creditors' meeting. We had not factored this cost in.

Furthermore, at the initial creditors' meeting it was necessary to adjourn the meeting due to the proposed modifications which were issued by certain investors shortly prior to the meeting. Again, this cost of requisitioning second creditors' meeting was not included in our fees estimate.

We also made an application to Court (further details of which have already been provided to investors and creditors), the cost of which was not factored into our fees estimate.

Investigations (£28,797 underestimated)

Investigations time has been underestimated due to the following reasons:

At the time of preparing the fees estimate, whilst we were aware of a number of work streams that required investigating, we had not fully appreciated the complexity of the relationships and number of companies that would be involved. We had also not realised the very substantial amount of work which would be involved in the cash tracing, introducer commission analysis, mis-selling claim analysis and in categorising each investor into their appropriate investor category.

In addition, after the creditors' meeting, it became clear that investors had substantial information to assist with our investigations to be completed into the affairs of the Company.

We are unable to disclose the full nature of our investigations as they are ongoing and in doing so may prejudice potential claims against third parties.

We have received a number of complaints about the Company's trading prior to administration.

Trading and Realisation of Assets (£1,060 underestimated)

Time for realisation of assets has been underestimated due to the following:

The Company's bankers have not co-operated with our enquiries which has led to a delay in obtaining information regarding the cash at bank position of the Company.

Creditors (including investors) (£90,562 underestimated)

The Creditors' costs have been underestimated due to the following reasons:

Across the Companies, we have received over 11,000 emails. We significantly under-estimated the volume of queries and the amount of time it would take to deal with these queries.

The various different ways in which investors valued their claims has led to increased costs being incurred in dealing with admission of these claims for voting and claims purposes on a fair and consistent basis.

Holding two physical creditors' meetings for the Companies has resulted in significantly higher costs in handling the level of claim and proxy forms from investors and creditors as well as the increased number of queries this generated. The most recent creditors' meetings for the Companies resulted in over 3,000 claims and proxy forms being received, all of which needed to be reviewed and recorded.

Forensics (£30,490 underestimated)

Forensics time has been underestimated due to the following reasons:

We have engaged their forensic specialists to undertake certain investigations into the Company's affairs. These investigations involve the tracing of cash movements in the Company and a thorough review of the Company's records.

Park First Gatwick Rentals Limited (the “Company”)

Classification of work function	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff	Total hours	Time cost	Average hourly rate
Administration and planning								
Statutory returns, reports & meetings	23.96	37.17	146.52	48.04	4.64	260.33	156,392.11	600.75
Initial post-appointment notification letters, including creditors	0.00	2.97	7.00	8.36	3.56	21.89	10,849.31	495.63
Cashiering general, including bonding	0.10	0.00	2.03	2.10	0.00	4.23	2,699.20	638.11
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	99.80	9.89	22.72	40.06	3.74	176.21	127,663.56	724.50
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	15.58	4.63	7.30	0.00	0.00	27.51	22,838.99	830.21
Protection of company records (incl electronic)	0.00	0.00	1.76	0.00	0.00	1.76	950.40	540.00
Insurance & general asset protection	0.00	0.00	2.08	1.40	0.00	3.48	1,753.20	503.79
Travelling	0.00	5.67	6.46	0.00	0.00	12.13	7,741.12	638.18
Filing, file and information management	0.00	1.16	0.84	7.10	0.00	9.10	4,527.60	497.54
Company searches	0.00	0.00	0.07	0.00	0.00	0.07	37.80	540.00
Agents and advisers, general	0.00	2.81	6.52	0.00	0.00	9.33	5,627.51	603.16
Filing - Administration and planning	0.00	0.42	0.37	1.20	0.00	1.99	1,054.32	529.81
Director/manager review, approval and signing	0.20	3.91	0.09	0.00	0.00	4.20	3,148.12	749.55
Other	1.50	4.91	8.84	8.09	12.00	35.34	15,780.75	446.54
Investigations								
Directors' correspondence & conduct questionnaires	0.00	2.59	0.36	1.10	0.00	4.05	2,730.69	674.24
Creditor & shareholder complaints	0.00	2.71	0.00	0.00	0.00	2.71	2,032.50	750.00
Statutory books and accounting records review	0.00	0.55	0.20	2.85	0.00	3.60	2,059.50	572.08
Investigation of legal claims	225.40	9.14	2.18	5.95	0.00	242.67	209,549.21	863.52
SIP2 and SIP4 obligations (inc CDDA86 forms)	0.00	5.40	5.54	5.80	0.00	16.74	10,019.11	598.51
Asset tracing (e.g. Land Registry and Company Searches)	0.00	1.90	27.89	21.35	0.00	51.14	28,920.64	565.52
Enquiries of advisers	0.00	2.40	0.25	2.40	0.00	5.05	3,231.00	639.80
Director/manager review, approval and signing	0.00	0.00	0.45	0.00	0.00	0.45	243.00	540.00
Realisation of assets								
Fixed charge Property (land and buildings)	0.00	0.00	13.50	0.00	0.00	13.50	7,290.00	540.00
Debtors not financed (includes reassigned debtors)	0.00	0.00	0.09	0.00	0.00	0.09	48.60	540.00
Sale of business as a whole, including liaison with legal advisers agents etc	0.00	3.20	0.00	0.00	0.00	3.20	2,400.00	750.00
Cash at Bank	0.00	1.84	0.89	0.00	0.00	2.73	1,860.81	681.61
Liaising with agents (general)	0.00	2.18	0.50	0.00	0.00	2.68	1,905.00	710.82
Director/manager review, approval and signing	0.00	0.15	0.00	0.00	0.00	0.15	112.50	750.00
Other	0.00	1.00	2.84	0.00	0.00	3.84	2,283.60	594.69
Trading								
Sales and customers	0.00	0.00	3.69	0.00	0.00	3.69	2,081.10	563.98
Accounting	0.00	0.10	1.87	0.00	0.00	1.97	1,084.80	550.66
Premises issues (inc landlord and site clearance)	0.00	0.00	0.30	0.00	0.00	0.30	162.00	540.00
Director/manager review, approval and signing	0.00	2.75	4.50	0.00	0.00	7.25	4,492.50	619.66
Other	0.00	0.80	10.30	0.00	0.00	11.10	6,162.00	555.14
Creditors								
Fixed charge creditors	0.00	0.00	0.00	0.00	2.80	2.80	420.00	150.00
Employees & pension (other) (Incl Jobcentre/CSA etc)	0.00	0.00	0.00	0.23	0.79	1.02	258.12	253.05
Crown (not RPO etc)	0.00	0.27	0.02	0.00	0.00	0.29	212.82	733.85
Unsecured creditors	37.15	52.15	133.12	426.27	351.89	1,000.58	416,669.48	416.43
Creditors' committee	0.00	2.95	3.20	14.10	0.00	20.25	11,554.50	570.59
Creditors (Case Specific 2)	0.00	0.00	0.00	1.00	0.00	1.00	450.00	450.00
Director/manager review, approval and signing	0.00	1.25	0.00	0.00	0.00	1.25	937.50	750.00
Other	0.00	6.84	0.00	3.66	0.00	10.50	7,106.36	676.80
CVA Work								
CVA Work	67.95	5.20	6.70	0.00	0.00	79.85	67,363.50	843.63
Corporate Tax								
Corporate Tax	16.95	0.00	2.85	19.90	0.00	39.70	22,890.00	576.57
Forensics								
Forensics	0.00	0.00	18.25	41.95	0.00	60.20	32,725.50	543.61
Total	488.59	178.91	452.09	662.91	379.42	2,161.92	£1,210,320.31	£559.84

Explanation of major work activities undertaken

Administration and planning

This section of the analysis encompasses the cost of the administrators and their staff in complying with their statutory obligations, and internal compliance requirements and some of which may not provide a direct financial benefit to the creditors of the Company. This work includes the following:

- Statutory notifications and advertising, including for creditors' meetings

- Initial post appointment notifications to investors and creditors
- Initial post appointment notifications to the Registrar of Companies
- Initial post appointment notifications to HMRC
- Maintenance of compliance checklists in relation to the case
- Maintenance of the compliance diary in respect of the case
- Calculating the administrators' fidelity bonding requirement
- Completing the statutory one-month case review
- Internal case staff strategy meetings
- Internal communications with S&W's Forensics team
- General case planning and administration including case strategy decisions
- Dealing with routine correspondence
- Securing the Company's books and records, including electronic records
- Setting up and maintaining physical case files
- Setting up and maintaining IPS (case management schedule)
- Preparing the administrators' Proposals
- Instructing agents and legal advisors to assist with the case
- Communications with the administrators' legal advisors
- Preparing and submitting court documents
- Meetings and calls with solicitors regarding the Court hearing and attending the Court hearing requesting a creditor meeting adjournment extension
- Communications with the FCA
- Attending at various meetings in respect of the administration
- Attending at the Company's former trading premises
- Drafting and issuing press releases in relation to the administration

Investigations

This section relates to our statutory obligations to investigate the actions of the directors of the Company, in accordance with SIP2, and to review the Company's records with a view to making asset recoveries. The administrators have a duty to consider any potential claims that the Company may have against third parties that may give rise to potential claims for the benefit of the Company's creditors. This work included the following:

- Corresponding with directors in accordance with our duties under SIP2
- Issuing our directors' questionnaire to the directors and former directors of the Company
- Meeting with some of the directors of the Company
- Investigating the actions of various parties in the lead up to the administration of the Company
- Reviewing the Company's books and records in relation to the administrators' investigations
- Reviewing all financial transactions carried out by the Company, or on the Company's behalf by various parties, including preparing summaries and associated schedules
- Review of the Company's financial accounting records
- Making enquiries of various parties associated with the Company in respect of the Company's finances and other business activities
- Assisting the FCA with their enquiries including providing information requested
- Liaising with the FCA by way of various conference calls

Trading & Asset Realisation

- Working with legal advisors and property agent to discuss tenant(s) and access issues
- Consideration of potential assets available to realise

- Instructing and liaising with agents to complete valuations of the car park sites
- Meetings and discussions with property agents to explain structure and trade
- Reviewing and discussing the appraisal document from the property agent
- Considering whether trading income should be allocated to the freehold companies or solely rental companies

Creditors / Investors

This section is in relation to time spent in dealing with correspondence from creditors, including both investors and trade and expense creditors. It should be noted that as there are a substantial number of investors who have been affected by the administration of the Company the joint administrators and their staff have incurred a significant amount of time in dealing with a wide range of communications with investors and creditors.

There are also a number of trade and expense creditors and the work involved in dealing with them has been taken into account in this section. Some of this work may not provide a direct financial benefit for the creditors of the Company, however, it is crucial that creditors are kept informed of the progression of the case. This work included the following:

- Dealing with personal information update requests from investors and creditors including updating email and postal addresses
- Dealing with telephone calls received from investors and creditors
- Drafting and issuing responses to written correspondence received from investors and creditors
- Monitoring and responding to emails received to the dedicated Park First mailbox
- Preparing and updating the frequently asked questions documents for the benefit of the Company's investors and creditors
- Logging investors' and creditors' claims and their preferences as regards communications with the administrators
- Preparing documents necessary for holding the physical meetings of the investors and creditors
- Preparing for and attending the physical meetings of investors and creditors
- Logging over 3,000 claim forms and proxy forms received from creditors/investors before and after both meetings
- Email and letter communications with investors and creditors and providing updates to the Smith & Williamson LLP 'Park First' webpage
- Preparing documents to form the creditors' committee
- Communications with nominated members and representatives of the proposed creditors' committee

CVA Work

- Liaising with solicitors and other advisors to consider exit strategy to prepare CVA proposals
- Preparing draft CVA proposals

Corporate Tax

- Internal discussions with the administrators' tax team to develop an understanding of the case
- Reviewing the Company's tax position

Forensics

- Assisting with obtaining and securing company records
- Consider claims of mis-selling
- Tracing the proceeds from the sale of car parking spaces
- Undertaking investigations into the Company's records to help identify potential assets
- Several site visits to the Company's premises in order to obtain and interrogate the Company's financial information

Notes/reconciliation differences

Task	Estimated fees to be incurred	Actual Fees Incurred £
Administration and Planning	70,407.50	361,063.98
Investigations	20,670.00	258,785.64
Tax	38,240.00	22,890.00
Trading & Realisation of Assets	102,030.00	29,882.91
Creditors	95,480.00	437,608.78
Forensics	12,160.00	32,725.50
CVA Time	185,040.00	67,363.50
Total	524,027.50	1,210,320.31

The material differences between our original estimates and what has actually been incurred as at 3 January 2020 can be explained as follows:

Administration and planning (£290,657 underestimated)

Time for administration and planning was underestimated due to the following reasons:

Insolvency legislation only allows for physical investors' and creditors' meetings to be held only under certain circumstances. We therefore believed that our proposals would be considered and voted on by postal voting, rather than at a physical creditors' meeting. We had not factored this cost in.

Furthermore, at the initial creditors' meeting it was necessary to adjourn the meeting due to the proposed modifications which were issued by certain investors shortly prior to the meeting. Again, this cost of requisitioning second creditors' meeting was not included in our fees estimate.

We also made an application to Court (further details of which have already been provided to investors and creditors), the cost of which was not factored into our fees estimate.

Investigations (£238,116 underestimated)

Investigations time has been underestimated due to the following reasons:

At the time of preparing the fees estimate, whilst we were aware of a number of work streams that required investigating, we had not fully appreciated the complexity of the relationships and number of companies that would be involved. We had also not realised the very substantial amount of work which would be involved in categorising each investor into their appropriate investor category.

In addition, after the creditors' meeting, it became clear that investors had substantial information to assist with our investigations to be completed into the affairs of the Company.

We are unable to disclose the full nature of our investigations as they are ongoing and in doing so may prejudice potential claims against third parties.

We have received a number of complaints about the Company's trading prior to administration.

Creditors (including investors) (£342,129 underestimated)

The Creditors' costs have been underestimated due to the following reasons:

Across the Companies, we have received over 11,000 emails. We significantly under-estimated the volume of queries and the amount of time it would take to deal with these queries.

The various different ways in which investors valued their claims has led to increased costs being incurred in dealing with admission of these claims for voting and claims purposes on a fair and consistent basis.

Holding two physical creditors' meetings for the Companies has resulted in significantly higher costs in handling the level of claim and proxy forms from investors and creditors as well as the increased number of queries this generated. The most recent creditors' meetings for the Companies resulted in over 3,000 claims and proxy forms being received, all of which needed to be reviewed and recorded.

Forensics (£20,565 underestimated)

Forensics time has been underestimated due to the following reasons:

We have engaged their forensic specialists to undertake certain investigations into the Company's affairs. These investigations involve the tracing of cash movements in the Company and a thorough review of the Company's records.

Park First Glasgow Rentals Limited (the “Company”)

Classification of work function	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff	Total hours	Time cost	Average hourly rate
Administration and planning								
Statutory returns, reports & meetings	16.01	36.72	149.72	47.64	4.64	254.73	150,606.61	591.24
Initial post-appointment notification letters, including creditors	0.00	2.97	7.00	8.36	3.56	21.89	10,849.31	495.63
Cashiering general, including bonding	0.00	0.00	2.03	1.90	0.00	3.93	2,506.20	637.71
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	105.80	9.89	23.67	41.06	3.74	184.16	133,906.56	727.12
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	13.53	4.63	7.60	0.00	0.00	25.76	20,971.49	814.11
Protection of company records (incl electronic)	0.00	0.00	1.76	0.00	0.00	1.76	950.40	540.00
Insurance & general asset protection	0.00	0.00	2.08	0.85	0.00	2.93	1,505.70	513.89
Travelling	0.00	5.67	6.46	2.50	0.00	14.63	8,866.12	606.02
Filing, file and information management	0.00	1.16	0.69	7.70	0.00	9.55	4,716.60	493.88
Company searches	0.00	0.00	0.07	0.00	0.00	0.07	37.80	540.00
Agents and advisers, general	0.00	2.81	6.52	0.00	0.00	9.33	5,627.51	603.16
Filing - Administration and planning	0.00	0.42	0.37	1.20	0.00	1.99	1,054.32	529.81
Director/manager review, approval and signing	0.20	3.91	0.09	0.00	0.00	4.20	3,148.12	749.55
Other	0.00	4.91	4.39	11.69	0.25	21.24	12,108.75	570.09
Investigations								
Directors' correspondence & conduct questionnaires	0.00	2.59	0.36	1.10	0.00	4.05	2,730.69	674.24
Creditor & shareholder complaints	0.00	2.71	0.00	0.00	0.00	2.71	2,032.50	750.00
Statutory books and accounting records review	3.60	0.55	0.20	2.85	0.00	7.20	5,227.50	726.04
Investigation of legal claims	221.80	9.14	2.08	5.95	0.00	238.97	206,312.21	863.34
SIP2 and SIP4 obligations (inc CDDA86 forms)	0.00	5.40	5.54	5.65	0.00	16.59	9,978.61	601.48
Asset tracing (e.g. Land Registry and Company Searches)	0.00	2.65	20.74	21.50	0.00	44.89	25,685.14	572.18
Enquiries of advisers	0.00	1.65	0.25	2.40	0.00	4.30	2,668.50	620.58
Director/manager review, approval and signing	0.00	0.00	0.45	0.00	0.00	0.45	243.00	540.00
Realisation of assets								
Fixed charge Property (land and buildings)	0.00	0.00	12.25	0.00	0.00	12.25	6,615.00	540.00
Debtors not financed (includes reassigned debtors)	0.00	0.00	0.09	0.00	0.00	0.09	48.60	540.00
Sale of business as a whole, including liaison with legal advisers agents etc	0.00	3.15	0.00	0.00	0.00	3.15	2,362.50	750.00
Cash at Bank	0.00	1.84	0.99	0.00	0.00	2.83	1,914.81	676.61
Liaising with agents (general)	0.00	2.63	0.50	0.00	0.00	3.13	2,242.50	716.45
Director/manager review, approval and signing	0.00	0.15	0.00	0.00	0.00	0.15	112.50	750.00
Other	0.00	1.00	2.64	0.00	0.00	3.64	2,175.60	597.69
Trading								
Sales and customers	0.00	0.00	3.34	0.00	0.00	3.34	1,892.10	566.50
Accounting	0.00	0.10	1.87	0.00	0.00	1.97	1,084.80	550.66
Premises issues (inc landlord and site clearance)	0.00	0.00	0.25	0.00	0.00	0.25	135.00	540.00
Director/manager review, approval and signing	0.00	2.75	0.00	0.00	0.00	2.75	2,062.50	750.00
Other	0.00	0.80	10.20	0.00	0.00	11.00	6,108.00	555.27
Creditors								
Fixed charge creditors	0.00	0.00	0.00	0.00	2.80	2.80	420.00	150.00
Employees & pension (other) (Incl Jobcentre/CSA etc)	0.00	0.00	0.00	0.23	0.79	1.02	258.12	253.05
Crown (not RPO etc)	0.00	0.27	0.02	5.05	1.50	6.84	2,785.32	407.21
Unsecured creditors	34.70	51.40	137.97	451.92	356.14	1,032.13	428,821.48	415.47
Creditors' committee	0.00	2.95	3.20	14.10	0.00	20.25	11,554.50	570.59
Creditors (Case Specific 1)	0.00	0.00	0.00	2.00	0.00	2.00	900.00	450.00
Director/manager review, approval and signing	0.00	1.25	0.00	0.00	0.00	1.25	937.50	750.00
Other	0.00	6.84	0.20	6.86	0.00	13.90	8,942.36	643.34
CVA Work								
CVA Work	70.95	5.95	7.20	1.65	0.00	85.75	71,925.00	838.78
Corporate Tax								
Corporate Tax	16.95	1.85	4.35	14.90	0.25	38.30	22,875.00	597.26
Forensics								
Forensics	0.00	0.00	18.25	41.30	0.00	59.55	32,374.50	543.65
Total	483.54	180.71	445.39	700.36	373.67	2,183.67	£1,220,281.31	£558.82

Explanation of major work activities undertaken

Administration and planning

This section of the analysis encompasses the cost of the administrators and their staff in complying with their statutory obligations, and internal compliance requirements and some of which may not provide a direct financial benefit to the creditors of the Company. This work includes the following:

- Statutory notifications and advertising, including for creditors' meetings
- Initial post appointment notifications to investors and creditors
- Initial post appointment notifications to the Registrar of Companies
- Initial post appointment notifications to HMRC
- Maintenance of compliance checklists in relation to the case
- Maintenance of the compliance diary in respect of the case
- Calculating the administrators' fidelity bonding requirement
- Completing the statutory one-month case review
- Internal case staff strategy meetings
- Internal communications with S&W's Forensics team
- General case planning and administration including case strategy decisions
- Dealing with routine correspondence
- Securing the Company's books and records, including electronic records
- Setting up and maintaining physical case files
- Setting up and maintaining IPS (case management schedule)
- Preparing the administrators' Proposals
- Instructing agents and legal advisors to assist with the case
- Communications with the administrators' legal advisors
- Preparing and submitting court documents
- Meetings and calls with solicitors regarding the Court hearing and attending the Court hearing requesting a creditor meeting adjournment extension
- Communications with the FCA
- Attending at various meetings in respect of the administration
- Attending at the Company's former trading premises
- Drafting and issuing press releases in relation to the administration

Investigations

This section relates to our statutory obligations to investigate the actions of the directors of the Company, in accordance with SIP2, and to review the Company's records with a view to making asset recoveries. The administrators have a duty to consider any potential claims that the Company may have against third parties that may give rise to potential claims for the benefit of the Company's creditors. This work included the following:

- Corresponding with directors in accordance with our duties under SIP2
- Issuing our directors' questionnaire to the directors and former directors of the Company
- Meeting with some of the directors of the Company
- Investigating the actions of various parties in the lead up to the administration of the Company
- Reviewing the Company's books and records in relation to the administrators' investigations
- Reviewing all financial transactions carried out by the Company, or on the Company's behalf by various parties, including preparing summaries and associated schedules
- Review of the Company's financial accounting records
- Making enquiries of various parties associated with the Company in respect of the Company's finances and other business activities

- Assisting the FCA with their enquiries including providing information requested
- Liaising with the FCA by way of various conference calls

Trading & Asset Realisation

- Working with legal advisors and property agent to discuss tenant(s) and access issues
- Consideration of potential assets available to realise
- Instructing and liaising with agents to complete valuations of the car park sites
- Meetings and discussions with property agents to explain structure and trade
- Reviewing and discussing the appraisal document from the property agent
- Considering whether trading income should be allocated to the freehold companies or solely rental companies

Creditors / Investors

This section is in relation to time spent in dealing with correspondence from creditors, including both investors and trade and expense creditors. It should be noted that as there are a substantial number of investors who have been affected by the administration of the Company the joint administrators and their staff have incurred a significant amount of time in dealing with a wide range of communications with investors and creditors.

There are also a number of trade and expense creditors and the work involved in dealing with them has been taken into account in this section. Some of this work may not provide a direct financial benefit for the creditors of the Company, however, it is crucial that creditors are kept informed of the progression of the case. This work included the following:

- Dealing with personal information update requests from investors and creditors including updating email and postal addresses
- Dealing with telephone calls received from investors and creditors
- Drafting and issuing responses to written correspondence received from investors and creditors
- Monitoring and responding to emails received to the dedicated Park First mailbox
- Preparing and updating the frequently asked questions documents for the benefit of the Company's investors and creditors
- Logging investors' and creditors' claims and their preferences as regards communications with the administrators
- Preparing documents necessary for holding the physical meetings of the investors and creditors
- Preparing for and attending the physical meetings of investors and creditors
- Logging over 3,000 claim forms and proxy forms received from creditors/investors before and after both meetings
- Email and letter communications with investors and creditors and providing updates to the Smith & Williamson LLP 'Park First' webpage
- Preparing documents to form the creditors' committee
- Communications with nominated members and representatives of the proposed creditors' committee

CVA Work

- Liaising with solicitors and other advisors to consider exit strategy to prepare CVA proposals
- Preparing draft CVA proposals

Corporate Tax

- Internal discussions with the administrators' tax team to develop an understanding of the case
- Reviewing the Company's tax position

Forensics

- Assisting with obtaining and securing company records
- Consider claims of mis-selling
- Tracing the proceeds from the sale of car parking spaces
- Undertaking investigations into the Company's records to help identify potential assets
- Several site visits to the Company's premises in order to obtain and interrogate the Company's financial information

Notes/reconciliation differences

Task	Estimated fees to be incurred	Actual Fees Incurred £
Administration and Planning	70,407.50	356,855.48
Investigations	20,670.00	254,878.14
Tax	38,240.00	22,875.00
Trading & Realisation of Assets	102,030.00	26,753.91
Creditors	95,480.00	454,619.28
Forensics	12,160.00	32,374.50
CVA Time	185,040.00	71,925.00
Total	524,027.50	1,220,281.31

The material differences between our original estimates and what has actually been incurred as at 3 January 2020 can be explained as follows:

Administration and planning (£286,448 underestimated)

Time for administration and planning was underestimated due to the following reasons:

Insolvency legislation only allows for physical investors' and creditors' meetings to be held only under certain circumstances. We therefore believed that our proposals would be considered and voted on by postal voting, rather than at a physical creditors' meeting. We had not factored this cost in.

Furthermore, at the initial creditors' meeting it was necessary to adjourn the meeting due to the proposed modifications which were issued by certain investors shortly prior to the meeting. Again, this cost of requisitioning second creditors' meeting was not included in our fees estimate.

We also made an application to Court (further details of which have already been provided to investors and creditors), the cost of which was not factored into our fees estimate.

Investigations (£234,208 underestimated)

Investigations time has been underestimated due to the following reasons:

At the time of preparing the fees estimate, whilst we were aware of a number of work streams that required investigating, we had not fully appreciated the complexity of the relationships and number of companies that would be involved. We had also not realised the very substantial amount of work which would be involved in categorising each investor into their appropriate investor category.

In addition, after the creditors' meeting, it became clear that investors had substantial information to assist with our investigations to be completed into the affairs of the Company.

We are unable to disclose the full nature of our investigations as they are ongoing and in doing so may prejudice potential claims against third parties.

We have received a number of complaints about the Company's trading prior to administration.

Creditors (including investors) (£359,139 underestimated)

The Creditors' costs have been underestimated due to the following reasons:

Across the Companies, we have received over 11,000 emails. We significantly under-estimated the volume of queries and the amount of time it would take to deal with these queries.

The various different ways in which investors valued their claims has led to increased costs being incurred in dealing with admission of these claims for voting and claims purposes on a fair and consistent basis.

Holding two physical creditors' meetings for the Companies has resulted in significantly higher costs in handling the level of claim and proxy forms from investors and creditors as well as the increased number of queries this generated. The most recent creditors' meetings for the Companies resulted in over 3,000 claims and proxy forms being received, all of which needed to be reviewed and recorded.

Forensics (£20,214 underestimated)

Forensics time has been underestimated due to the following reasons:

We have engaged their forensic specialists to undertake certain investigations into the Company's affairs. These investigations involve the tracing of cash movements in the Company and a thorough review of the Company's records.

III Fees estimates for period 4 July 2019 to 3 July 2020

Park First Freeholds Limited

Park First Freeholds Limited - in Administration								
Updated fees estimate according to number of hours, grade of staff and expected work to be undertaken								
Anticipated case duration	1	Year						
	Partner / Director	Associate Director	Manager/ Assistant Manager	Other Professional Staff	Assistants & support staff			
Hourly rate (£)	880	750	540	500	200			
	Hours					Total hours	Total estimated time costs (£)	Average hourly rate
Classification of work function								
Administration and planning								
Statutory returns, reports & meetings	5.48	29.76	27.09	14.58	0.78	77.69	49,215.23	633.50
Initial post-appointment notification letters, including creditors	-	0.49	1.17	2.23	0.60	4.49	2,235.87	497.90
Cashiering general, including bonding	-	0.15	0.25	1.50	-	1.90	998.11	525.04
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	18.68	5.18	6.15	31.45	0.63	62.09	39,496.06	636.11
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	2.45	1.15	0.67	-	-	4.28	3,388.46	791.50
Protection of company records (incl electronic)	-	-	0.30	-	-	0.30	161.66	540.00
Insurance & general asset protection	-	-	0.12	0.52	-	0.64	326.62	507.44
Travelling	-	0.94	1.08	-	-	2.02	1,289.25	638.00
Filing, file and information management	-	0.13	0.24	2.17	-	2.54	1,315.60	517.00
Company searches	-	-	0.01	-	-	0.01	8.08	540.00
Agents and advisers, general	-	0.67	0.97	-	-	1.65	1,030.59	625.91
Filing - Administration and planning	-	0.34	0.09	0.60	-	1.03	606.08	586.81
Director/manager review, approval and signing	-	2.48	0.01	-	-	2.50	1,871.68	748.74
Other	-	1.48	1.75	2.74	0.75	6.72	3,576.47	532.14
Investigations								
Directors' correspondence & conduct questionnaires	-	0.48	0.06	0.22	-	0.76	503.85	660.00
Creditor & shareholder complaints	-	0.58	-	1.27	-	1.86	1,074.00	578.63
Statutory books and accounting records review	-	0.22	-	0.52	-	0.75	430.35	575.00
Investigation of legal claims	38.54	4.88	0.33	1.20	-	44.95	38,355.45	853.27
SIP2 and SIP4 obligations (inc CDDA86 forms)	-	3.44	0.91	1.42	-	5.78	3,786.18	655.28
Asset tracing (e.g. Land Registry and Company Searches)	-	1.57	13.64	3.97	-	19.17	10,525.83	548.94
Enquiries of advisers	-	1.65	-	0.60	-	2.25	1,534.29	683.33
Director/manager review, approval and signing	-	-	0.07	-	-	0.07	40.42	540.00
Other	-	-	1.50	-	-	1.50	808.31	540.00
Realisation of assets								
Fixed charge Property (land and buildings)	-	-	2.02	-	-	2.02	1,091.22	540.00
Debtors not financed (includes reassigned debtors)	-	-	0.01	-	-	0.01	8.08	540.00
Sale of business as a whole, including liaison with legal advisers agents etc	-	0.67	-	-	-	0.67	505.19	750.00
Cash at Bank	-	1.14	0.96	-	-	2.10	1,370.53	654.00
Liaising with agents (general)	-	1.50	-	-	-	1.50	1,122.65	750.00
Director/manager review, approval and signing	-	0.22	-	-	-	0.22	168.40	750.00
Other	-	0.15	3.01	-	-	3.16	1,736.97	549.95
Trading								
Sales and customers	-	-	0.48	-	-	0.48	258.66	540.00
Accounting	-	0.15	0.34	-	-	0.49	298.18	603.64
Director/manager review, approval and signing	-	0.82	-	-	-	0.82	617.46	750.00
Other	-	0.07	1.47	-	-	1.54	848.28	550.19
Creditors								
Fixed charge creditors	-	-	-	-	0.67	0.67	134.72	200.00
Employees & pension (other) (Incl Jobcentre/CSA etc)	-	-	-	0.04	0.13	0.18	49.40	275.00
Crown (not RPO etc)	-	1.09	0.01	-	-	1.11	827.62	747.16
Unsecured creditors	38.63	22.90	23.89	307.89	139.10	532.42	245,841.42	461.74
Creditors' committee	1.50	4.42	0.90	2.47	-	9.28	6,348.97	684.11
Director/manager review, approval and signing	-	1.42	-	-	-	1.42	1,066.52	750.00
Other	-	1.14	0.15	1.71	-	2.99	1,787.26	597.00
CVA Work								
CVA Work	15.49	2.32	5.01	-	-	22.83	18,081.42	792.10
Corporate Tax								
Corporate Tax	2.02	-	0.75	12.87	-	15.64	8,618.97	551.00
Forensics								
Forensics	-	-	26.72	61.82	-	88.54	45,338.64	512.07
Total	122.80	93.64	122.16	451.80	142.67	933.07	498,698.97	534.47

Park First Freeholds Limited Updated estimated expenses with Categories 1 & 2 (SIP 9) and payable to third parties		
Estimated expenses		Total (£)
Specific bond		280.00
Statutory advertising costs		100.00
Search costs (HM Land Registry & Companies House)		50.00
Travel and subsistence		50.00
Case specific costs		
Insurance		34,720.00
Legal fees		200,000.00
Agent's fees		22,500.00
Storage costs		500.00
Irrecoverable VAT		142,861.79
Bank charges		500.00
Total		401,561.79
<p>Category 1 expenses, in accordance with Statement of Insolvency Practice 9 are specific costs payable to an independent third party and relate directly to the case in question. Category 2 expenses are payable to the office holder's firm and are shared or allocated costs, most notably business mileage.</p>		

Explanation of major work activities to be undertaken

The fees estimate includes the work completed which is detailed in Appendix II, in addition to future work which will need to be undertaken, as summarised below:

Administration and Planning

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

This work includes the following:

- Case planning, administration and general case progression, including adjustments in appointment strategy.
- Dealing with routine correspondence
- Liaising with agents
- Maintaining physical case files and electronic case details on IPS (case management software).
- Case reviews (including 6-month reviews)
- Regular meetings to review case strategy and progression
- Preparing and distributing progress reports as required by insolvency legislation
- Preparing and circulating final report to creditors as required by insolvency legislation
- Maintaining and managing the case cash book and bank accounts
- Ensuring statutory and tax obligations are adhered to
- Submitting VAT and Corporation Tax returns
- Dealing with statutory matters related to the creditors' committee

Investigations

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

- Further review and investigation of stakeholders' complaints, and responses from them on this subject, into the failing of the business and the actions of the Company's directors.
- Review and storage of books and records.
- Asset tracing (including land registry and Companies House searches).

- Possible actions (including legal recourse) to restore assets of the Company or to obtain compensation for the Company with regard to its financial losses.
- Discussions and correspondence with relevant personnel and agents.
- Discussions and correspondence with the Companies' professional advisors

Tax

- Input from tax and VAT specialists in relation to the pre/post administration obligations of the Company
- Undertaking post administration tax and VAT computations
- Finalising and submitting pre/post administration returns

Trading and Realisation of assets

In order to achieve a better realisation for the investors and trade creditors of the Company and to maintain the goodwill of the business, the office holders have continued to monitor the OpCos trade in order to protect the position of the Company.

Detailed below is a breakdown of future projected time to be spent in relation to trading:

- Overseeing the work of the managing agents and reconciling records
- Regular monitoring of trading activities including weekly monitoring
- Preparing, reviewing and presenting trading update reports
- Reviewing the trading information provided by the OpCos
- Reconciling case receipts and payments to records provided
- Ensuring that VAT was appropriately accounted for
- Discussions with staff and management on trading
- On-going discussion and meetings regarding the provision of information to the office holders' team
- Liaising with the interested parties and prospective purchasers of the Company's assets as part of a fall-back strategy should a CVA with regard to the Company's affairs not be possible
- Discussions with our sales agents in respect of the most appropriate sales strategy and tactics to conclude the sale as soon as reasonably practicable, again as part of a fall-back strategy should a CVA with regard to the Company's affairs not be possible
- Sales negotiations, including sales contract negotiations and drafting, again as part of a fall-back strategy should a CVA with regard to the Company's affairs not be possible.
- Discussions with our legal advisors in respect of sales documentation and subsequently in relation to tax matters, again as part of a fall-back strategy should a CVA with regard to the Company's affairs not be possible.
- Sourcing information necessary for the valuation and sale, again as part of a fall-back strategy should a CVA with regard to the Company's affairs not be possible.
- Book debt collections.
- Dealing with certain VAT and tax matters relating to the valuation and sales process. This includes sourcing certain records (which may not be available at the time of any sale). Again, this work will be carried out as part of a fall-back strategy should a CVA with regard to the Company's affairs not be possible.

Creditors

Work under this section includes correspondence and other contact with the creditors of the Company, especially Buy Back creditors. The work is expected to include the following:

- Continuing to deal with creditor correspondence via email and telephone.
- Dealing with creditors' committee correspondence via email and telephone. Meetings of the creditors' committee are also recorded within "Administration and Planning" in respect of statutory matters and meetings.
- Drafting and posting updates for creditors on the Smith & Williamson website
- Maintaining investors' and creditors' information on our insolvency database.
- Adjudication of investor and creditor claims
- Distributions to various categories of creditors, including Buy Back creditors.

Forensics

- Time spent by S&W's specialist forensics team
- Thorough investigations into the affairs of the Company and conduct of the directors
- Continuing with review and searches of company records for the purposes of asset and cash tracing
- Finalising cash tracing exercise to understand what has happened to the proceeds of the sales of the car parking spaces

CVA Time

- Negotiating terms of CVA with related parties (OpCos, GFG group directors, FCA etc.)
- Agreeing the basis on which the pledged funds will be released for the benefit of the CVA
- Discussing and agreeing CVA strategy and wording with legal advisors
- Preparing the CVA document and necessary statutory documentation
- Preparing comparison of outcomes to show whether or not the CVA provides the best return to creditors, compared with the possible alternatives
- Tax advice regarding CVA terms
- Circulating CVA details and notices to creditors
- Convening CVA meeting and dealing with any adjournments thereof
- Processing votes from creditors to accept/reject CVA proposals

Help Me Park Gatwick Limited

Help Me Park Gatwick Limited - in Administration								
Updated fees estimate according to number of hours, grade of staff and expected work to be undertaken								
Anticipated case duration	1	Year						
	Partner / Director	Associate Director	Manager/ Assistant Manager	Other Professional Staff	Assistants & support staff			
Hourly rate (£)	880	750	540	500	200			
	Hours					Total hours	Total estimated time costs (£)	Average hourly rate
Classification of work function								
Administration and planning								
Statutory returns, reports & meetings	5.03	30.96	28.59	12.33	0.78	77.69	49,403.83	635.93
Initial post-appointment notification letters, including creditors	-	0.49	1.17	1.48	0.60	3.74	1,861.65	497.48
Cashiering general, including bonding	-	0.60	0.25	0.90	-	1.75	1,035.53	591.28
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	17.18	4.06	5.93	25.84	0.63	53.63	34,408.96	641.57
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	2.01	1.15	0.90	0.15	-	4.21	3,189.38	758.26
Protection of company records (incl electronic)	-	-	0.30	-	-	0.30	161.66	540.00
Insurance & general asset protection	-	-	0.12	0.30	-	0.42	214.35	511.43
Travelling	-	0.94	1.08	-	-	2.02	1,289.25	638.00
Filing, file and information management	-	0.21	0.24	2.17	-	2.62	1,371.73	523.66
Company searches	-	-	0.01	-	-	0.01	8.08	540.00
Agents and advisers, general	-	0.67	0.97	-	-	1.65	1,030.59	625.91
Filing - Administration and planning	-	0.27	0.31	0.60	-	1.18	671.20	567.59
Director/manager review, approval and signing	-	2.11	0.01	-	-	2.13	1,591.02	748.52
Other	-	1.48	1.75	2.29	2.99	8.52	3,801.00	446.27
Investigations								
Directors' correspondence & conduct questionnaires	-	0.48	0.06	0.22	-	0.76	503.85	660.00
Creditor & shareholder complaints	-	0.58	-	-	-	0.58	437.83	750.00
Statutory books and accounting records review	-	-	-	0.52	-	0.52	261.95	500.00
Investigation of legal claims	38.24	4.51	0.63	1.12	-	44.50	37,935.58	852.45
SIP2 and SIP4 obligations (inc CDDA86 forms)	-	3.44	0.91	1.57	-	5.93	3,861.02	651.36
Asset tracing (e.g. Land Registry and Company Searches)	-	1.57	14.16	3.29	-	19.03	10,471.94	550.42
Enquiries of advisers	-	2.02	-	0.90	-	2.92	1,964.64	673.08
Director/manager review, approval and signing	-	-	0.07	-	-	0.07	40.42	540.00
Realisation of assets								
Fixed charge Property (land and buildings)	-	-	1.95	-	-	1.95	1,050.80	540.00
Debtors not financed (Includes reassigned debtors)	-	-	0.01	-	-	0.01	8.08	540.00
Sale of business as a whole, including liaison with legal advisers agents etc	-	0.67	-	-	-	0.67	505.19	750.00
Cash at Bank	-	0.24	0.13	-	-	0.37	252.37	674.40
Liaising with agents (general)	-	1.20	-	-	-	1.20	898.12	750.00
Director/manager review, approval and signing	-	0.22	-	-	-	0.22	168.40	750.00
Other	-	0.15	0.76	-	-	0.91	524.50	574.43
Trading								
Sales and customers	-	-	0.40	-	-	0.40	218.24	540.00
Accounting	-	0.15	0.27	-	-	0.42	257.76	615.00
Premises issues (inc landlord and site clearance)	-	-	0.07	-	-	0.07	40.42	540.00
Director/manager review, approval and signing	-	1.65	-	-	-	1.65	1,234.92	750.00
Other	-	0.07	1.69	-	-	1.77	969.52	548.90
Creditors								
Fixed charge creditors	-	-	-	-	0.30	0.30	59.87	200.00
Employees & pension (other) (Incl Jobcentre/CSA etc)	-	-	-	0.04	0.13	0.18	49.40	275.00
Crown (not RPO etc)	-	0.04	0.01	0.22	-	0.28	154.03	541.58
Unsecured creditors	26.58	23.73	21.05	144.43	75.86	291.65	139,941.75	479.83
Creditors' committee	-	4.42	0.37	3.07	-	7.86	5,048.19	642.38
Director/manager review, approval and signing	-	1.42	-	-	-	1.42	1,066.52	750.00
Other	-	1.14	-	2.75	-	3.89	2,230.33	573.08
CVA Work								
CVA Work	15.49	2.47	1.12	-	-	19.09	16,092.08	843.18
Corporate Tax								
Corporate Tax	1.42	-	-	5.01	-	6.44	3,758.64	583.95
Forensics								
Forensics	-	-	27.54	63.69	-	91.23	46,718.75	512.08
Total	105.96	93.12	112.88	272.92	81.29	666.18	376,763.35	565.56

Help Me Park Gatwick Limited Updated estimated expenses with Categories 1 & 2 (SIP 9) and payable to third parties		
Estimated expenses		Total (£)
Specific bond		280.00
Statutory advertising costs		100.00
Search costs (HM Land Registry & Companies House)		50.00
Travel and subsistence		50.00
Case specific costs		
Insurance		4,480.00
Legal fees		200,000.00
Agent's fees		22,500.00
Storage costs		500.00
Irrecoverable VAT		119,952.67
Bank charges		500.00
Total		348,412.67
<p>Category 1 expenses, in accordance with Statement of Insolvency Practice 9 are specific costs payable to an independent third party and relate directly to the case in question. Category 2 expenses are payable to the office holder's firm and are shared or allocated costs, most notably business mileage.</p>		

Explanation of major work activities to be undertaken

Administration and Planning

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

This work includes the following:

- Preparing the documentation and dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Protection of the Company's assets and records (including electronic).
- Dealing with routine correspondence.
- Dealing with agents on general matters.
- Maintaining physical case files and electronic case details on IPS (case management software).
- Case reviews (including 6 month reviews).
- Case bordereau (specific insurance bond) and reviews thereof.
- Case planning, administration and general case progression, including adjustments in appointment strategy.

Preparing reports to stakeholders.

- Maintaining and managing the case cash book and bank accounts.
- Ensuring statutory lodgement and tax lodgements obligations are met.
- Submitting VAT and Corporation Tax returns (when due).
- Dealing with client identification and internal Smith & Williamson LLP compliance requirements.

Investigations

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

- Investigating the reasons for the failure of the Company (including enquiries with the Company's directors and possible interviews of key stakeholders).

- Review and investigation of stakeholders' complaints, and responses from them on this subject, into the failing of the business and the actions of the Company's directors.
- Review and storage of books and records.
- Asset tracing (including land registry and Companies House searches).
- Possible actions (including legal recourse) to restore assets of the Company or to obtain compensation for the Company with regard to its financial losses.
- Preparing a return/report pursuant to the Company Directors' Disqualification Act.
- Discussions and correspondence with relevant personnel and agents.

Tax

- Input from tax and VAT specialists in relation to the pre/post administration obligations of the company
- Review of pre-administration tax position and advising on possible recoveries for the company
- Undertaking post administration tax and VAT computations
- Finalising and submitting pre/post administration returns

Trading and Realisation of assets

In order to achieve a better realisation for the Buy Back and trade creditors of the Company and to maintain the goodwill of the business, the office holders have continued to monitor the OpCos trade in order to protect the position of the Company.

Detailed below is a breakdown of projected time to be spent in relation to trading:

- Overseeing the work of the managing agents and reconciling records
- Regular monitoring of trading activities including weekly monitoring
- Preparing, reviewing and presenting trading update reports
- Reviewing the trading information provided by the OpCos
- Reconciling case receipts and payments to records provided
- Ensuring that VAT was appropriately accounted for
- Discussions with staff and management on trading
- On-going discussion and meetings regarding the provision of information to the office holders' team
- Reviewing payments to suppliers and staff
- Dealing with customers and suppliers including landlords
- Ensuring that business adheres / conforms to legislation (e.g. Health & Safety legislation, and Employment law)
- Liaising with the interested parties and prospective purchasers of the Company's assets as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Discussions with our sales agents including in respect of the most appropriate sales strategy and tactics to conclude the sale as soon as reasonably practicable, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible
- Sales negotiations, including sales contract negotiations and drafting, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Discussions with our legal advisors in respect of sales documentation and subsequently in relation to tax matters, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Sourcing information necessary for the valuation and sale, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Book debt collections.
- Dealing with certain VAT and tax matters relating to the valuation and sales process. This includes sourcing certain records (which may not be available at the time of any sale). Again, this work will be carried out as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.

Creditors

Work under this section includes correspondence and other contact with the creditors of the Company, especially Buy Back creditors. The work is expected to include the following:

- Dealing with creditor correspondence via email and telephone.
- Dealing with creditors' committee correspondence via email and telephone. Meetings of the creditors' committee are also recorded within "Administration and Planning" in respect of statutory matters and meetings.
- Maintaining investors' and creditors' information on our insolvency database.
- Adjudication of investor and creditor claims
- Distributions to various categories of creditors, including Buy Back creditors.

Forensics

- Time spent by S&W's specialist forensics team
- Complying with statutory obligations to maintain electronic records of the company
- Reviewing and searching company records for the purposes of asset and cash tracing
- Undertaking searches of company records

CVA Time

- Negotiating terms of CVA with related parties (OpCos, GFG group directors, FCA etc.)
- Agreeing the basis on which the pledged funds will be released for the benefit of the CVA
- Discussing and agreeing CVA strategy and wording with legal advisors
- Preparing the CVA document and necessary statutory documentation
- Preparing comparison of outcomes to show whether or not the CVA provides the best return to creditors, compared with the possible alternatives
- Tax advice regarding CVA terms
- Circulating CVA details and notices to creditors

Convening CVA meeting and dealing with any adjournments thereof

Park First Gatwick Rentals Limited

Park First Gatwick Rentals Limited - in Administration Updated fees estimate according to number of hours, grade of staff and expected work to be undertaken									
Anticipated case duration	1	Year							
	Partner / Director	Associate Director	Manager/ Assistant Manager	Other Professional Staff	Assistants & support staff				
Hourly rate (£)	880	750	540	500	200				
	Hours					Total hours	Total estimated time costs (£)	Average hourly rate	
Classification of work function									
Administration and planning									
Statutory returns, reports & meetings	35.86	55.64	219.32	71.91	6.95	389.68	229,067.37	587.84	
Initial post-appointment notification letters, including creditors	-	4.45	10.48	12.51	5.33	32.77	16,315.11	497.92	
Cashiering general, including bonding	0.15	-	3.04	3.14	-	6.33	3,344.30	528.18	
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	149.39	14.80	34.01	59.96	5.60	263.76	192,030.66	728.04	
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	23.32	6.93	10.93	-	-	41.18	31,621.19	767.90	
Protection of company records (incl electronic)	-	-	2.63	-	-	2.63	1,422.62	540.00	
Insurance & general asset protection	-	-	3.11	2.10	-	5.21	2,729.09	523.91	
Travelling	-	8.49	9.67	-	-	18.16	11,587.11	638.16	
Filing, file and information management	-	1.74	1.26	10.63	-	13.62	7,295.14	535.56	
Pre-appointment non creditor tax	-	-	-	-	-	-	-	#DIV/0!	
Company searches	-	-	0.10	-	-	0.10	56.58	540.00	
Agents and advisers, general	-	4.21	9.76	-	-	13.97	8,424.82	603.25	
Correspondence with joint liquidator	-	-	-	-	-	-	-	#DIV/0!	
Filing - Administration and planning	-	0.63	0.55	1.80	-	2.98	1,668.71	560.20	
Director/manager review, approval and signing	0.30	5.85	0.13	-	-	6.29	4,725.76	751.69	
Other	2.25	7.35	13.23	12.11	17.96	52.90	24,280.85	459.00	
Investigations									
Directors' correspondence & conduct questionnaires	-	3.88	0.54	1.65	-	6.06	4,021.93	663.43	
Creditor & shareholder complaints	-	4.06	-	-	-	4.06	3,042.38	750.00	
Statutory books and accounting records review	-	0.82	0.30	4.27	-	5.39	2,912.16	540.42	
Investigation of legal claims	337.39	13.68	3.26	8.91	-	363.24	313,383.11	862.73	
SIP2 and SIP4 obligations (inc CDDA86 forms)	-	8.08	8.29	8.68	-	25.06	14,881.26	593.88	
Asset tracing (e.g. Land Registry and Company Searches)	-	2.84	41.75	31.96	-	76.55	40,655.84	531.10	
Enquiries of advisers	-	3.59	0.37	3.59	-	7.56	4,692.68	620.79	
Director/manager review, approval and signing	-	-	0.67	-	-	0.67	363.74	540.00	
Realisation of assets									
Fixed charge Property (land and buildings)	-	-	20.21	-	-	20.21	10,912.17	540.00	
Debtors not financed (includes reassigned debtors)	-	-	0.13	-	-	0.13	72.75	540.00	
Sale of business as a whole, including liaison with legal advisers agents etc	-	4.79	-	-	-	4.79	3,592.48	750.00	
Cash at Bank	-	2.75	1.33	-	-	4.09	2,785.07	681.54	
Liaising with agents (general)	-	3.26	0.75	-	-	4.01	2,851.53	710.82	
Director/manager review, approval and signing	-	0.22	-	-	-	0.22	168.40	750.00	
Other	-	1.50	4.25	-	-	5.75	3,418.25	594.69	
Trading									
Sales and customers	-	-	5.52	-	-	5.52	2,982.66	540.00	
Accounting	-	0.15	2.80	-	-	2.95	1,623.80	550.66	
Premises issues (inc landlord and site clearance)	-	-	0.45	-	-	0.45	242.49	540.00	
Director/manager review, approval and signing	-	4.12	6.74	-	-	10.85	6,724.68	619.66	
Other	-	1.20	15.42	-	-	16.62	9,223.70	555.14	
Creditors									
Fixed charge creditors	-	-	-	-	4.19	4.19	838.25	200.00	
Employees & pension (other) (Incl Jobcentre/CSA etc)	-	-	-	0.34	1.18	1.53	408.64	267.65	
Crown (not RPO etc)	-	0.40	0.03	-	-	0.43	319.28	735.52	
Unsecured creditors	55.61	78.06	199.26	638.07	526.73	1,497.74	639,465.49	426.95	
Creditors' committee	-	4.42	4.79	21.11	-	30.31	16,451.33	542.74	
Creditors (Case Specific 2)	-	-	-	1.50	-	1.50	748.43	500.00	
Director/manager review, approval and signing	-	1.87	-	-	-	1.87	1,403.31	750.00	
Other	-	10.24	-	5.48	-	15.72	10,418.20	662.86	
CVA Work									
CVA Work	101.71	7.78	10.03	-	-	119.52	100,760.18	843.01	
Corporate Tax									
Corporate Tax	25.37	-	4.27	29.79	-	59.43	39,524.80	665.11	
Forensics									
Forensics	-	-	27.32	62.79	-	90.11	46,148.44	512.13	
Total	731.35	267.80	676.72	992.29	567.94	3,236.11	1,819,606.77	562.28	

Park First Gatwick Rentals Limited Updated estimated expenses with Categories 1 & 2 (SIP 9) and payable to third parties		
Estimated expenses		Total (£)
Specific bond		280.00
Statutory advertising costs		100.00
Search costs (HM Land Registry & Companies House)		50.00
Travel and subsistence		50.00
Insurance		300.00
Legal fees		1,000,000.00
Agent's fees		50,000.00
Storage costs		500.00
Bank charges		500.00
Total		1,051,780.00
<p>Category 1 expenses, in accordance with Statement of Insolvency Practice 9 are specific costs payable to an independent third party and relate directly to the case in question. Category 2 expenses are payable to the office holder's firm and are shared or allocated costs, most notably business mileage.</p>		

Explanation of major work activities to be undertaken

Administration and Planning

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

This work includes the following:

- Preparing the documentation and dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Protection of the Company's assets and records (including electronic).
- Dealing with routine correspondence.
- Dealing with agents on general matters.
- Maintaining physical case files and electronic case details on IPS (case management software).
- Case reviews (including 6 month reviews).
- Case bordereau (specific insurance bond) and reviews thereof.
- Case planning, administration and general case progression, including adjustments in appointment strategy.

Preparing reports to stakeholders.

- Maintaining and managing the case cash book and bank accounts.
- Ensuring statutory lodgement and tax lodgements obligations are met.
- Submitting VAT and Corporation Tax returns (when due).
- Dealing with client identification and internal Smith & Williamson LLP compliance requirements.

Investigations

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

- Investigating the reasons for the failure of the Company (including enquiries with the Company's directors and possible interviews of key stakeholders).
- Review and investigation of stakeholders' complaints, and responses from them on this subject, into the failing of the business and the actions of the Company's directors.
- Review and storage of books and records.

- Asset tracing (including land registry and Companies House searches).
- Possible actions (including legal recourse) to restore assets of the Company or to obtain compensation for the Company with regard to its financial losses.
- Preparing a return/report pursuant to the Company Directors' Disqualification Act.
- Discussions and correspondence with relevant personnel and agents.

Tax

- Input from tax and VAT specialists in relation to the pre/post administration obligations of the company
- Review of pre-administration tax position and advising on possible recoveries for the company
- Undertaking post administration tax and VAT computations
- Finalising and submitting pre/post administration returns

Trading and Realisation of assets

In order to achieve a better realisation for the Buy Back and trade creditors of the Company and to maintain the goodwill of the business, the office holders have continued to monitor the OpCos trade in order to protect the position of the Company.

Detailed below is a breakdown of projected time to be spent in relation to trading:

- Overseeing the work of the managing agents and reconciling records
- Regular monitoring of trading activities including weekly monitoring
- Preparing, reviewing and presenting trading update reports
- Reviewing the trading information provided by the OpCos
- Reconciling case receipts and payments to records provided
- Ensuring that VAT was appropriately accounted for
- Discussions with staff and management on trading
- On-going discussion and meetings regarding the provision of information to the office holders' team
- Reviewing payments to suppliers and staff
- Dealing with customers and suppliers including landlords
- Ensuring that business adheres / conforms to legislation (e.g. Health & Safety legislation, and Employment law)
- Liaising with the interested parties and prospective purchasers of the Company's assets as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Discussions with our sales agents including in respect of the most appropriate sales strategy and tactics to conclude the sale as soon as reasonably practicable, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible
- Sales negotiations, including sales contract negotiations and drafting, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Discussions with our legal advisors in respect of sales documentation and subsequently in relation to tax matters, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Sourcing information necessary for the valuation and sale, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Book debt collections.
- Dealing with certain VAT and tax matters relating to the valuation and sales process. This includes sourcing certain records (which may not be available at the time of any sale). Again, this work will be carried out as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.

Creditors

Work under this section includes correspondence and other contact with the creditors of the Company, especially Buy Back creditors. The work is expected to include the following:

- Dealing with creditor correspondence via email and telephone.
- Dealing with creditors' committee correspondence via email and telephone. Meetings of the creditors' committee are also recorded within "Administration and Planning" in respect of statutory matters and meetings.

- Maintaining investors' and creditors' information on our insolvency database.
- Adjudication of investor and creditor claims
- Distributions to various categories of creditors, including Buy Back creditors.

Forensics

- Time spent by S&W's specialist forensics team
- Complying with statutory obligations to maintain electronic records of the company
- Reviewing and searching company records for the purposes of asset and cash tracing
- Undertaking searches of company records

CVA Time

- Negotiating terms of CVA with related parties (OpCos, GFG group directors, FCA etc.)
 - Agreeing the basis on which the pledged funds will be released for the benefit of the CVA
 - Discussing and agreeing CVA strategy and wording with legal advisors
 - Preparing the CVA document and necessary statutory documentation
 - Preparing comparison of outcomes to show whether or not the CVA provides the best return to creditors, compared with the possible alternatives
 - Tax advice regarding CVA terms
 - Circulating CVA details and notices to creditors
- Convening CVA meeting and dealing with any adjournments thereof

Park First Glasgow Rentals Limited

Park First Glasgow Rentals Limited - in Administration								
Updated fees estimate according to number of hours, grade of staff and expected work to be undertaken								
Anticipated case duration	1	Year						
	Partner / Director	Associate Director	Manager/ Assistant Manager	Other Professional Staff	Assistants & support staff			
Hourly rate (£)	880	750	540	500	200			
	Hours					Total hours	Total estimated time costs (£)	Average hourly rate
Classification of work function								
Administration and planning								
Statutory returns, reports & meetings	23.96	54.96	224.11	71.31	6.95	381.30	220,377.30	577.97
Initial post-appointment notification letters, including creditors	-	4.45	10.48	12.51	5.33	32.77	16,315.11	497.92
Cashiering general, including bonding	-	-	3.04	2.84	-	5.88	3,062.89	520.66
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	158.37	14.80	35.43	61.46	5.60	275.66	201,450.45	730.78
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	20.25	6.93	11.38	-	-	38.56	29,163.33	756.32
Protection of company records (Incl electronic)	-	-	2.63	-	-	2.63	1,422.62	540.00
Insurance & general asset protection	-	-	3.11	1.27	-	4.39	2,317.45	528.40
Travelling	-	8.49	9.67	3.74	-	21.90	13,458.19	614.55
Filing, file and information management	-	1.74	1.03	11.53	-	14.30	7,622.95	533.26
Company searches	-	-	0.10	-	-	0.10	56.58	540.00
Agents and advisers, general	-	4.21	9.76	-	-	13.97	8,424.82	603.25
Filing - Administration and planning	-	0.63	0.55	1.80	-	2.98	1,668.71	560.20
Director/manager review, approval and signing	0.30	5.85	0.13	-	-	6.29	4,725.76	751.69
Other	-	7.35	6.57	17.50	0.37	31.79	17,884.73	562.53
Investigations								
Directors' correspondence & conduct questionnaires	-	3.88	0.54	1.65	-	6.06	4,021.93	663.43
Creditor & shareholder complaints	-	4.06	-	-	-	4.06	3,042.38	750.00
Statutory books and accounting records review	5.39	0.82	0.30	4.27	-	10.78	7,654.23	710.21
Investigation of legal claims	332.01	13.68	3.11	8.91	-	357.71	308,560.20	862.61
SIP2 and SIP4 obligations (inc CDDA86 forms)	-	8.08	8.29	8.46	-	24.83	14,769.00	594.73
Asset tracing (e.g. Land Registry and Company Searches)	-	3.97	31.05	32.18	-	67.19	35,830.68	533.24
Enquiries of advisers	-	2.47	0.37	3.59	-	6.44	3,850.69	598.26
Director/manager review, approval and signing	-	-	0.67	-	-	0.67	363.74	540.00
Realisation of assets								
Fixed charge Property (land and buildings)	-	-	18.34	-	-	18.34	9,901.78	540.00
Debtors not financed (includes reassigned debtors)	-	-	0.13	-	-	0.13	72.75	540.00
Sale of business as a whole, including liaison with legal advisers agents etc	-	4.72	-	-	-	4.72	3,536.35	750.00
Cash at Bank	-	2.75	1.48	-	-	4.24	2,865.90	676.54
Liaising with agents (general)	-	3.94	0.75	-	-	4.69	3,356.73	716.45
Director/manager review, approval and signing	-	0.22	-	-	-	0.22	168.40	750.00
Other	-	1.50	3.95	-	-	5.45	3,256.59	597.69
Trading								
Sales and customers	-	-	5.00	-	-	5.00	2,699.75	540.00
Accounting	-	0.15	2.80	-	-	2.95	1,623.80	550.66
Premises issues (inc landlord and site clearance)	-	-	0.37	-	-	0.37	202.08	540.00
Director/manager review, approval and signing	-	4.12	-	-	-	4.12	3,087.29	750.00
Other	-	1.20	15.27	-	-	16.47	9,142.87	555.27
Creditors								
Fixed charge creditors	-	-	-	-	4.19	4.19	838.25	200.00
Employees & pension (other) (Incl Jobcentre/CSA etc)	-	-	-	0.34	1.18	1.53	408.64	267.65
Crown (not RPO etc)	-	0.40	0.03	7.56	2.25	10.24	4,547.93	444.20
Unsecured creditors	51.94	76.94	206.52	676.46	533.09	1,544.96	659,786.22	427.06
Creditors' committee	-	4.42	4.79	21.11	-	30.31	16,451.33	542.74
Creditors (Case Specific 1)	-	-	-	2.99	-	2.99	1,496.87	500.00
Director/manager review, approval and signing	-	1.87	-	-	-	1.87	1,403.31	750.00
Other	-	10.24	0.30	10.27	-	20.81	12,974.85	623.60
CVA Work								
CVA Work	106.20	8.91	10.78	2.47	-	128.36	107,192.97	835.12
Corporate Tax								
Corporate Tax	25.37	2.77	6.51	22.30	0.37	57.33	39,146.84	682.83
Forensics								
Forensics	-	-	27.32	61.82	-	89.14	45,661.96	512.26
Total	723.80	270.50	666.69	1,048.35	559.33	3,268.67	1,835,867.25	561.66

Park First Glasgow Rentals Limited Updated estimated expenses with Categories 1 & 2 (SIP 9) and payable to third parties		
Estimated expenses		Total (£)
Specific bond		280.00
Statutory advertising costs		100.00
Search costs (HM Land Registry & Companies House)		50.00
Travel and subsistence		50.00
Case specific costs		
Insurance		300.00
Legal fees		1,000,000.00
Agent's fees		50,000.00
Storage costs		500.00
Bank charges		500.00
Total		1,051,780.00
<p>Category 1 expenses, in accordance with Statement of Insolvency Practice 9 are specific costs payable to an independent third party and relate directly to the case in question. Category 2 expenses are payable to the office holder's firm and are shared or allocated costs, most notably business mileage.</p>		

Explanation of major work activities to be undertaken

Administration and Planning

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

This work includes the following:

- Preparing the documentation and dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Protection of the Company's assets and records (including electronic).
- Dealing with routine correspondence.
- Dealing with agents on general matters.
- Maintaining physical case files and electronic case details on IPS (case management software).
- Case reviews (including 6 month reviews).
- Case bordereau (specific insurance bond) and reviews thereof.
- Case planning, administration and general case progression, including adjustments in appointment strategy.

Preparing reports to stakeholders.

- Maintaining and managing the case cash book and bank accounts.
- Ensuring statutory lodgement and tax lodgements obligations are met.
- Submitting VAT and Corporation Tax returns (when due).
- Dealing with client identification and internal Smith & Williamson LLP compliance requirements.

Investigations

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

- Investigating the reasons for the failure of the Company (including enquiries with the Company's directors and possible interviews of key stakeholders).
- Review and investigation of stakeholders' complaints, and responses from them on this subject, into the failing of the business and the actions of the Company's directors.
- Review and storage of books and records.

- Asset tracing (including land registry and Companies House searches).
- Possible actions (including legal recourse) to restore assets of the Company or to obtain compensation for the Company with regard to its financial losses.
- Preparing a return/report pursuant to the Company Directors' Disqualification Act.
- Discussions and correspondence with relevant personnel and agents.

Tax

- Input from tax and VAT specialists in relation to the pre/post administration obligations of the company
- Review of pre-administration tax position and advising on possible recoveries for the company
- Undertaking post administration tax and VAT computations
- Finalising and submitting pre/post administration returns

Trading and Realisation of assets

In order to achieve a better realisation for the Buy Back and trade creditors of the Company and to maintain the goodwill of the business, the office holders have continued to monitor the OpCos trade in order to protect the position of the Company.

Detailed below is a breakdown of projected time to be spent in relation to trading:

- Overseeing the work of the managing agents and reconciling records
- Regular monitoring of trading activities including weekly monitoring
- Preparing, reviewing and presenting trading update reports
- Reviewing the trading information provided by the OpCos
- Reconciling case receipts and payments to records provided
- Ensuring that VAT was appropriately accounted for
- Discussions with staff and management on trading
- On-going discussion and meetings regarding the provision of information to the office holders' team
- Reviewing payments to suppliers and staff
- Dealing with customers and suppliers including landlords
- Ensuring that business adheres / conforms to legislation (e.g. Health & Safety legislation, and Employment law)
- Liaising with the interested parties and prospective purchasers of the Company's assets as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Discussions with our sales agents including in respect of the most appropriate sales strategy and tactics to conclude the sale as soon as reasonably practicable, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible
- Sales negotiations, including sales contract negotiations and drafting, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Discussions with our legal advisors in respect of sales documentation and subsequently in relation to tax matters, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Sourcing information necessary for the valuation and sale, again as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.
- Book debt collections.
- Dealing with certain VAT and tax matters relating to the valuation and sales process. This includes sourcing certain records (which may not be available at the time of any sale). Again, this work will be carried out as part of a fall back strategy should a CVA with regard to the Company's affairs not be possible.

Creditors

Work under this section includes correspondence and other contact with the creditors of the Company, especially Buy Back creditors. The work is expected to include the following:

- Dealing with creditor correspondence via email and telephone.
- Dealing with creditors' committee correspondence via email and telephone. Meetings of the creditors' committee are also recorded within "Administration and Planning" in respect of statutory matters and meetings.

- Maintaining investors' and creditors' information on our insolvency database.
- Adjudication of investor and creditor claims
- Distributions to various categories of creditors, including Buy Back creditors.

Forensics

- Time spent by S&W's specialist forensics team
- Complying with statutory obligations to maintain electronic records of the company
- Reviewing and searching company records for the purposes of asset and cash tracing
- Undertaking searches of company records

CVA Time

- Negotiating terms of CVA with related parties (OpCos, GFG group directors, FCA etc.)
 - Agreeing the basis on which the pledged funds will be released for the benefit of the CVA
 - Discussing and agreeing CVA strategy and wording with legal advisors
 - Preparing the CVA document and necessary statutory documentation
 - Preparing comparison of outcomes to show whether or not the CVA provides the best return to creditors, compared with the possible alternatives
 - Tax advice regarding CVA terms
 - Circulating CVA details and notices to creditors
- Convening CVA meeting and dealing with any adjournments thereof

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

Introduction

Detailed below are:

- S&W's policies in relation to:
 - Staff allocation and the use of subcontractors
 - Professional advisers
 - Disbursement recovery
- S&W'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 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 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 the body of this report.

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 value to the assignment.

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 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 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.

Since 7 July 2012 S&W's policy is to recover only one type of Category 2 disbursement, 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 disbursements.

Details of any Category 2 disbursements 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 S&W's charge-out rates was issued to creditors at the time the basis of the administrators' remuneration was sought.

The rates applicable to this appointment are set out below. There have been no changes to the charge out rates during the period of this report.

Smith & Williamson LLP	£/hr
Restructuring & Recovery Services	
Charge out rates as at 1 July 2019	
Partner	880-990
Director	790
Associate Director	750
Managers	540-690
Other professional staff	450-540
Support staff	200
Secretarial staff	150

Notes

1. Time is recorded in units representing 3 minutes 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. The cashiering function time is incorporated within "Other professional staff" rates.

www.smithandwilliamson.com

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

Smith & Williamson LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities. A member of Nexia International. Registered in England at 25 Moorgate, London EC2R 6AY No OC369871.

Nexia Smith & Williamson Audit Limited is registered to carry on audit work and regulated by the Institute of Chartered Accountants in England and Wales for a range of Investment business activities. A member of Nexia International.



Smith & Williamson is a member of Nexia International, a worldwide network of independent accounting and consulting firms.

© Smith & Williamson Holdings Limited 2013