

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



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04/03/2020

#141

COMPANIES HOUSE

1 Company details

Company number 0 1 6 7 4 9 8 7

Company name in full Superbreak Mini-Holidays Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Tracey Lee

Surname Pye

3 Administrator's address

Building name/number 1 St Peter's Square

Street Manchester

Post town

County/Region

Postcode M 2 3 A E

Country

4 Administrator's name ①

Full forename(s) David James

Surname Costley-Wood

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 1 St Peter's Square

Street Manchester

Post town

County/Region

Postcode M 2 3 A E

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 0	^d 2	^m 0	^m 8	^y 2	^y 0	^y 1	^y 9
To date	^d 0	^d 1	^m 0	^m 2	^y 2	^y 0	^y 2	^y 0

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Mrge

X

Signature date

^d 1	^d 9	^m 0	^m 2	^y 2	^y 0	^y 2	^y 0
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Notice of administrator's progress report



Presenter information

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

Contact name **Tom Morton**

Company name **KPMG LLP**

Address
1 St Peter's Square
Manchester

Post town

County/Region

Postcode **M 2 3 A E**

Country

DX

Telephone **Tel +44 (0) 161 246 4000**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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



Joint Administrators' progress report for the period 2 August 2019 to 1 February 2020



Superbreak Mini-Holidays Limited
- in Administration

26 February 2020

Deemed delivered: 28 February
2020

Notice to creditors

This progress report provides an update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for the administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 7).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, www.kpmg.co.uk/superbreak. We hope this is helpful to you.

Please also note that an important legal notice about this progress report is attached (Appendix 8).

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1 Executive summary

- This progress report covers the administration of Superbreak Mini-Holidays Limited ('the Company') for the period from the date of our appointment to 1 February 2020 (the 'Period').
- The Directors resolved on 2 August 2019 to appoint us as Joint Administrators. The notice of appointment was lodged at High Court of Justice, Business and Property Courts in Manchester on 2 August 2019 and we were duly appointed.
- In addition to the Company, two other Group companies (Laterooms and MTT) were also placed into administration on 2 August 2019.
- We delivered our statement of proposals ('Proposals') to all known creditors on 1 October 2019. They were deemed approved without modification on 2 December 2019.
- Since appointment, we commenced a sale of business process resulting in the sale of the various intangible assets to a third party purchaser. We have also continued to collect the Company's book debts and realise other assets. (Section 2 – Progress to date)
- Given the nature of the trading entities within the Group, we have also consulted with the Regulators (CAA and ABTA) and put in place a clear communications strategy for all stakeholders (Section 2 – Progress to date).
- Going forward, we will continue to provide updates to customers via our dedicated communication channels, realise the Company's outstanding book debts and cash balances held in international bank accounts, settle the costs of the administration, comply with our statutory duties and, where applicable, distribute to creditors (Section 2 – Progress to date).
- To date, we have distributed £1,390,000 to YES Bank Limited ('the Bank'), the Secured Creditor. Based on current estimates, we anticipate that the Bank will suffer a shortfall against its lending to the Company (Section 3 - Dividend prospects and dividends paid).
- Based on current estimates, we anticipate the preferential creditors will be paid in full (Section 3 - Dividend prospects and dividends paid).
- Based on current estimates, it is unlikely that there will be a dividend to unsecured creditors other than via potential prescribed part dividend. (Section 3 - Dividend prospects and dividends paid).
- Please note: you should read this progress report in conjunction with our proposals which were issued to the Company's creditors and can be found at kpmg.co.uk/superbreak. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



pp David Costley-Wood
Joint Administrator

2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our proposals.

2.1 Strategy and progress to date

Strategy

As detailed in our Proposals delivered to creditors on 1 October 2019, the Company was incorporated on 1 November 1982 and operated in the travel and technology sector as a short break holiday, attractions and transport booking website serving the UK and overseas.

The Company was part of a larger group of companies, known as The Malvern Group, which was involved in the travel and technology sector. The Group structure chart is detailed in our Proposals.

On 2 August 2019, Tracey Pye and David Costley-Wood were appointed Joint Administrators of the Company. In addition to the Company, two other Group companies (Laterooms and MTT) were placed into administration on 2 August 2019.

As set out in our Proposals, our key initial strategy focussed on:

- Sales of business
- Communications
- Regulator Strategy
- Non-Regulator matters
- Employees
- Information Technology
- Other asset realisations

For further information on the events leading to the administration and our strategy upon appointment, please refer to section 3.3 of our Proposals. An update on strategy and progress to date since our Proposals is outlined below.

Sales of business

Upon appointment, we commenced the sale of business process to seek a purchaser for some or all of the Company's business and assets. On 17 October 2019, we completed a sale of certain intangible assets to a third party purchaser (See – 2.2 Asset realisations).

Communications

We continue to work with both the CAA and ABTA to ensure that customers are provided with the appropriate updates in respect of their bookings and potential claims in the administration.

Going forward we will continue to provide updates regarding the administration on our dedicated website - www.kpmg.co.uk/superbreak.

Regulator strategy

The majority of customer bookings were protected by ABTA and ATOL – the UK's financial protection schemes that protect customers when a holiday is booked through a registered provider who subsequently fails.

Upon appointment, one of our immediate priorities was to provide the CAA and ABTA with up to date and accurate customer information in respect of bookings falling under their protection. We have continued to provide customer information to CAA and ABTA, where applicable.

CAA

As detailed in our Proposals, as a result of the administration, consumer prepayments held by third party travel agents and tour operators (known as Pipeline Funds) became caught under the CAA Air Travel Trust. Shortly following appointment, we entered into a Service Agreement to collect Pipeline Funds on behalf of the CAA. To date, we have collected £41,024 in Pipeline Funds on behalf of the CAA.

Going forward, we will continue to collect Pipeline Funds on behalf of the CAA until such time the collection process is handed back to the CAA, as agreed. We will then draw the fee outlined in the Service Agreement, which will be paid to the administration estate.

ABTA

As detailed in our Proposals, in addition to bookings caught under ABTA protection, ABTA agreed to handle claims relating to overseas accommodation only bookings (which were protected by a funds held separately on trust by the Company). Funds held on trust by the Company relating to this specific category of customer have been transferred to ABTA under a separate Customer Protection Agreement.

We continue to liaise with ABTA in respect of the final liability in relation to this specific category of customer bookings and anticipate that a balance of funds may be available to the administration estate (See – Trust accounts and bonds).

In addition to the above ABTA have also agreed, under a separate Service Agreement, to collect Pipeline Funds relating to bookings that have ABTA protection.

Going forward, we continue collect and reconcile Pipeline Funds with ABTA with a view to finalising collection of these funds in due course.

Non-Regulator matters

As mentioned in our Proposals, customers with UK accommodation only bookings, ticket only bookings or gift vouchers were instructed to submit a claim with their credit or debit card provider in the first instance.

If the customer is unable to claim a refund from their credit or debit card provider then they will be able to claim in the administration as an unsecured creditor.

We have continued to liaise with potential claimants through our dedicated email inbox and continue to provide details of how to make a claim on our dedicated website - www.kpmg.co.uk/superbreak.

Employees

Further to the details previously outlined, as at the Period end, all employees retained have now been made redundant.

Our employee specialists continue to be available to assist employees with their preferential claims and any other queries in respect of their redundancy.

Information Technology

In order to support the provision of information to the Regulators, ongoing financial, HR and operational infrastructures and the sale of business process, a number of undertakings and duress payments were agreed with critical IT suppliers. Further details on the nature of the costs incurred are outlined in our Proposals.

Since our Proposals, all undertakings have now ceased and costs finalised and paid (See – 2.3 Costs).

Other asset realisations

We have continued to collect the Company's outstanding book debts and liaise with the Regulators, under the various agreements, in respect of the collection of outstanding book debts and Pipeline Funds. Further details on other asset realisations to date are outlined in Section 2.2 Asset realisations.

We are currently assessing the final liabilities associated with the bonds held by the Company for certain categories of bookings with a view to seeking the transfer of any potential surplus to the administration estate.

2.2 Asset realisations

Realisations during the Period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the Period are provided below.

Sales of business

The following assets were sold on 17 October 2019 to the purchaser, an independent third party, for total consideration of £150,000. Consideration is allocated as follows:

Sale Consideration		
Asset Category		Consideration
IP Rights	£	149,996.00
Business Information	£	1.00
Goodwill	£	1.00
Accounts	£	1.00

Book debts

To date we have received £60,201 from debtors that relate to pre-appointment sales.

Cash at Bank

We have arranged for the transfer of funds from the Company's pre-administration bank accounts to the administration bank account. To date, we have received £2,150,462 which relates to the Company's various accounts.

ABTA Pipeline Funds

To date we have received £794,878 in respect of the ABTA Pipeline Funds, which will be subject to reconciliation and subsequent transfer to ABTA where applicable. Any surplus of Pipeline Funds due to ABTA will form part of the administration estate.

ATOL Pipeline Funds

To date we have received £41,024 due to the CAA. These funds will be subject to reconciliation and transfer to the CAA as per the Services Agreement.

Funds held on Trust

To date we have received £280,243 in respect of funds held on trust.

£276,535 relates to funds that were held on trust by the Company, with NatWest, to protect against potential claims from their overseas 'accommodation only' bookings.

£3,708 relates to funds that were held on trust by a third party, via Barclays, to protect against potential claims from certain Leisure Connect attraction bookings. We understand that all claims in respect of this bond have been finalised.

We are currently liaising with our legal advisors, Shoosmiths LLP ('Shoosmiths'), in respect of the treatment of the surplus of funds from these trust accounts with a view to realising them in the administration estate. We are currently holding these funds in a separate trust account.

Investigations

We are reviewing the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors.

We have complied with the relevant statutory requirements by submitting the online director conduct assessment to the Department for Business, Energy and Industrial Strategy. The contents of our submission are confidential.

2.3 Costs

Payments made in the Period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the Period are provided below.

Critical IT Payments

As previously detailed, a number of the Company's IT systems were essential to support the administration process. As well as being used to assist the sale of business process, these IT costs primarily relate to acquiring accurate and timely customer records for sharing with the Regulators and facilitating the collection of outstanding book debts.

In total, we have paid £176,407 in respect of critical IT payments to date.

Return of Trust Funds

We are in receipt of funds that were held on trust to protect overseas 'accommodation only' bookings in the event of Company failure. As detailed in our proposals, ABTA have agreed to handle these claims.

ABTA have confirmed their maximum exposure for this category of customer to be £96,061. Accordingly, £96,061 of the £276,535 has been transferred to ABTA under a contractual agreement and we expect no further entitlements from ABTA in respect of these funds. Any unclaimed sums in respect of the refund monies transferred will be returned to the administrators on completion of the claims handling process.

Data Site Costs

We have paid £1,664 in respect of the hosting of an online data room which hosted documents and other ancillary services relating to marketing the Company in the post appointment sale of business process.

Legal fees

We have paid £667 in legal fees in the Period. This has been paid to Addleshaw Goddard LLP for its advice in respect of the validity of our appointment.

Agents' fees

To date, we have paid Metis Partners inc £9,233 for their advice relating to the valuation of the Company's intellectual property.

We have also paid independent data protection advisors, MAPS, £4,900 in relation to advice on GDPR and data security.

Wages and Salaries

During the Period, wage costs of £84,151 have been paid to the employees retained to assist us in achieving our strategy for the administration. The amount includes 1.5 days of August 2019 payroll paid to all staff.

A number of staff were specifically retained in order to assist directly with the sale of the Company's Intellectual Property. Therefore £644 of this total relates to fixed costs.

PAYE and NIC

The PAYE and NIC due to HMRC in respect of the employee costs incurred following our appointment has totalled £4,740.

2.4 Schedule of expenses

We have detailed the costs incurred during the Period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

3 Dividend prospects and dividends paid

3.1 Secured creditors

The Bank provided a term loan and a revolving credit facility secured by way of a debenture containing fixed and floating charges over the Company. The Bank also held a fixed charge over the Company's shares. The charges were created on 29 November 2018. Shoosmiths have confirmed the validity of the Bank's security.

At the date of our appointment, the Bank was owed approximately £47 million across the Group.

During the Period, we have distributed £1,390,000 to YES Bank Limited - all of which relates to floating charge realisations.

Based on current estimates, we anticipate that the Bank will suffer a shortfall in respect of the funding that it provided to the Group.

3.2 Preferential creditors

We estimate the amount of preferential claims to be £61,653.

Based on current estimates, we anticipate that preferential creditors should receive a dividend of 100p in the £. The timing and amount of any dividend are dependent upon the realisations and associated costs of the administration.

3.3 Unsecured creditors

Based on current estimates, it is uncertain whether there will be a dividend to unsecured creditors.

Any dividend is dependent upon the level of realisations from the Company's assets. We will review the position when we have completed the realisation of all of the Company's assets and the payment of the associated costs.

4 Joint Administrators' remuneration, disbursements and pre-administration costs

4.1 Joint Administrators' remuneration and disbursements

Time costs

From the date of our appointment to 1 February 2020, we have incurred time costs of £629,723. These represent 1,805 hours at an average rate of £349 per hour.

Disbursements

During the Period, we have incurred disbursements of £4,107.

Additional information

We have attached a revised expenses estimate at Appendix 5.

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from our appointment to 1 February 2020. We have also attached our charging and disbursements policy.

4.2 Pre-administration costs

We disclosed the following pre-administration costs, which were unpaid at the date of our appointment, in our proposals:

The following work was carried out prior to our appointment with a view to placing the Company into administration:

- KPMG prepared and reviewed appointment documentation, liaised with solicitors and Legal Counsel, liaised with Company Directors as well as the Regulators regarding the appointment. KPMG has incurred costs of £10,378 in respect of its pre-administration work up to the date of our appointment;
- Shoosmiths drafted appointment documentation and provided general legal advice ahead of our appointment. Shoosmiths has incurred £12,090 in respect of this work; and
- Legal Counsel advised the proposed Joint Administrators on the nature of funds held on trust by the Company. Counsel have incurred £2,925 in respect of this work.

The above work was necessary in order to place the Company into administration.

These costs have not been paid to date. Approval will be sought from the Secured and preferential creditors.

5 Future strategy

5.1 Future conduct of the administration

We will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- the collection of book debts owed to the Company;
- providing updates to customers and dealing with ongoing customer and creditor correspondence, where applicable;
- finalising and paying the costs of the administration;
- making distributions to the Secured, preferential and unsecured creditors, where applicable;
- Liaising with ABTA and the CAA following reconciliations in order to return pipeline funds;
- Finalising the value of funds held on trust that can be realised into the administration estate;
- obtaining tax and VAT clearance for the administration; and
- completion of all statutory duties in the administration, prior to exit by an appropriate route.

5.2 Future reporting

We will provide a further progress report within one month of 1 August 2020 or earlier if the administration has been completed prior to that time.

Appendix 1 Statutory information

Company information

Company name	Superbreak Mini-Holidays Limited
Date of incorporation	1 November 1982
Company registration number	01674987
Present registered office	1 St Peter's Square, Manchester, M2 3AE

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, Business and Property Courts in Manchester, CR-2019-MAN-000757 of 2019
Appointor	Directors
Date of appointment	2 August 2019
Joint Administrators' details	Tracey Pye and David Costley-Wood
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is £1,823,330. Estimated Prescribed Part is £367,666. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3).
Prescribed Part distribution	If funds do become available for a distribution under the Prescribed Part, the Joint Administrators may make a distribution to the unsecured creditors; or if appropriate, may apply to the Court to obtain an order that the Prescribed Part shall not apply on the grounds that the cost of making a distribution to the unsecured creditors would be disproportionate to the benefits.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	1 August 2020

Appendix 2 Joint Administrators' receipts and payments account

Superbreak Mini-Holidays Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 02/08/2019 To 01/02/2020 (£)	From 02/08/2019 To 01/02/2020 (£)
FIXED CHARGE ASSETS			
	IP Rights	149,996.00	149,996.00
	Business information	1.00	1.00
	Digital content	1.00	1.00
	Goodwill	1.00	1.00
	Accounts	1.00	1.00
	Bank interest, gross	438.19	438.19
		<u>150,438.19</u>	<u>150,438.19</u>
FIXED CHARGE COSTS			
	Agents'/Valuers' fees	(9,233.34)	(9,233.34)
	Data Site Costs	(1,664.43)	(1,664.43)
	Gandi Domain Site	(289.34)	(289.34)
	Critical IT payments	(101,495.00)	(101,495.00)
	Wages & salaries	(643.56)	(643.56)
		<u>(113,325.67)</u>	<u>(113,325.67)</u>
FIXED CHARGE CREDITORS			
(46,604,000.00)	Fixed charge creditor	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
ASSET REALISATIONS			
	Book debts (SoFA Nil)	60,201.16	60,201.16
	ABTA Pipeline Funds	794,878.11	794,878.11
	ATOL Pipeline Funds	41,023.52	41,023.52
2,080,000.00	Cash at bank	2,150,461.66	2,150,461.66
		<u>3,046,564.45</u>	<u>3,046,564.45</u>
OTHER REALISATIONS			
	Bank interest, gross	1,739.21	1,739.21
	Funds held on Trust	280,242.81	280,242.81
	Sundry refunds	750.03	750.03
	Euro Disney Customer refund	337.00	337.00
	Council Rates Refund	19,665.26	19,665.26
	Pre Appointment Ticket Sales Refund	748.80	748.80
		<u>303,483.11</u>	<u>303,483.11</u>
COST OF REALISATIONS			

Superbreak Mini-Holidays Limited - in Administration
Abstract of receipts & payments

Statement of affairs (£)	From 02/08/2019 To 01/02/2020 (£)	From 02/08/2019 To 01/02/2020 (£)
Repayment of Euro Disney customer refund	(337.00)	(337.00)
Critical IT Payments	(74,911.72)	(74,911.72)
Statement of affairs work	(317.00)	(317.00)
Return of trust funds	(96,061.17)	(96,061.17)
Agents'/Valuers' fees	(4,900.00)	(4,900.00)
Agents'/Valuers' Disbursements	(1,050.00)	(1,050.00)
Legal fees	(666.66)	(666.66)
Statutory advertising	(73.00)	(73.00)
Insurance of assets	(672.00)	(672.00)
Wages & salaries	(83,507.53)	(83,507.53)
PAYE & NIC	(4,739.52)	(4,739.52)
Bank charges	(270.00)	(270.00)
	(267,505.60)	(267,505.60)
PREFERENTIAL CREDITORS		
(25,000.00) Employees' wage arrears	NIL	NIL
(25,000.00) Employees' holiday pay	NIL	NIL
	NIL	NIL
FLOATING CHARGE CREDITORS		
Floating charge	(1,390,000.00)	(1,390,000.00)
	(1,390,000.00)	(1,390,000.00)
UNSECURED CREDITORS		
(3,912,000.00) Trade & expense	NIL	NIL
(906,000.00) Connected companies	NIL	NIL
(80,000.00) Corp tax etc/nonpref PAYE	NIL	NIL
(250,000.00) Non-preferential VAT	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
(50,000.00) Ordinary shareholders	NIL	NIL
	NIL	NIL
(49,766,000.00)	1,729,654.48	1,729,654.48
REPRESENTED BY		
Floating ch. VAT rec'able		16,632.71
Fixed charge current		20,277.54
Non ATOL Pipeline Funds		795,963.40
Floating charge current		723,716.82

Superbreak Mini-Holidays Limited - in Administration**Abstract of receipts & payments**

Statement of affairs (£)	From 02/08/2019	From 02/08/2019
	To 01/02/2020 (£)	To 01/02/2020 (£)
Trust Funds		180,618.82
Fixed charge VAT rec'able		22,445.19
Fixed charge VAT payable		(30,000.00)
		1,729,654.48

Appendix 3 Schedule of expenses

Schedule of expenses (02/08/2019 to 01/02/2020)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Fixed charge costs			
Agents'/Valuers' fees	9,233.34	0.00	9,233.34
Data Site Costs	1,664.43	0.00	1,664.43
Gandi Domain Site	289.34	0.00	289.34
Critical IT payments	101,495.00	0.00	121,495.00
Wages & salaries	643.56	0.00	643.56
Cost of realisations			
Repayment of Euro Disney customer refund	337.00	0.00	337.00
Critical IT Payments	74,911.72	0.00	74,911.72
Statement of affairs work	317.00	0.00	317.00
Return of trust funds	96,061.17	0.00	96,061.17
Agents'/Valuers' fees	4,900.00	0.00	4,900.00
Agents'/Valuers' Disbursements	1,050.00	0.00	1,050.00
Legal fees	666.66	0.00	666.66
Statutory advertising	73.00	0.00	73.00
Insurance of assets	672.00	0.00	672.00
Wages & salaries	83,507.53	0.00	83,507.53
PAYE & NIC	4,739.52	0.00	4,739.52
Bank charges	270.00	0.00	270.00
TOTAL	380,831.27	0.00	380,831.27

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

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

Creditors' right to challenge our remuneration and expenses

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

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Tom Morton at 1 St Peter's Square, Manchester, M2 3AE.

Appendix 4 Joint Administrators' revised fee estimate

Superbreak Mini-Holidays Limited						
	Approved estimated time costs for the engagement			Revised estimated time costs for the engagement		
	Estimated Total hours	Estimated Time cost (£)	Estimated Average hourly rate (£)	Revised Estimated Total hours	Revised Estimated Time cost (£)	Revised Estimated Average hourly rate (£)
Administration & planning						
Bankrupt/Director/Member	71.60	25,266.00	352.88	71.60	25,266.00	352.88
Cashiering	153.83	45,184.20	293.73	153.83	45,184.20	293.73
General	122.60	41,006.00	334.47	122.60	41,006.00	334.47
Statutory and compliance	339.96	114,360.90	336.40	339.96	114,360.90	336.40
Tax	64.30	24,184.00	376.11	64.30	24,184.00	376.11
Creditors						
Creditors and claims	664.63	176,946.70	266.23	664.63	176,946.70	266.23
Committees						
Employees	187.90	60,009.50	319.37	187.90	60,009.50	319.37
Investigation						
Directors	57.24	21,622.10	377.74	57.24	21,622.10	377.74
Investigations	97.00	35,685.00	367.89	170.02	52,597.00	309.36
Realisation of assets						
Asset realisation	767.00	321,749.00	419.49	767.00	321,749.00	419.49
Total	2,526.06	866,013.40	342.83	2,599.08	882,925.40	339.71

Time charged to investigations has increased due to additional time taken to complete the directors conduct reports.

Appendix 5 Joint Administrators' revised expenses estimate

Total for Administration				
Expenses (£)	Initial Estimates (£)	Paid to date (£)	Future costs (£)	Total (£)
Fixed charge costs				
Agents'/Valuers' fees	9,000.00	9,233.34	0.00	9,233.34
Officeholders fees	0.00	0.00	10,000.00	10,000.00
Legal Fees	12,500.00	0.00	12,500.00	12,500.00
Data Site Costs	750	1,664.43	0.00	1,664.43
Gandi Domain Site	0.00	289.34	0.00	289.34
Critical IT payments	75,660.00	101,495.00	0.00	101,495.00
Wages & salaries	0.00	643.56	0.00	643.56
Cost of realisations				
Pre-administration KPMG Fee	10,378.00	0.00	10,378.00	10,378.00
Pre-administration legal fees	10,150.00	0.00	10,150.00	10,150.00
Pre-administration Legal Counsel	2,925.00	0.00	2,925.00	2,925.00
Return of trust funds	0.00	96,061.17	0.00	96,061.17
Officeholders fees and disbs	0.00	0.00	363,000.00	363,000.00
Legal fees	40,000.00	666.66	30,200.00	30,866.66
Agents'/Valuers' fees	12,567.00	5,950.00	0.00	5,950.00
Book Debt Collection Fees	25,000.00	0.00	25,000.00	25,000.00
Insurance of Assets	800.00	672.00	100.00	772.00
Wages & salaries	71,492.00	83,507.53	0.00	83,507.53
PAYE & NIC	0.00	4,739.52	0.00	4,739.52
Critical IT Payments	109,791.00	74,911.72	0.00	74,911.72
Storage Costs	1,000.00	0.00	1,000.00	1,000.00
Statutory advertising	450.00	73.00	0.00	73.00
Bank Charges	200.00	270.00	100.00	370.00
Statement of affairs work	317.00	317.00	0.00	317.00
Return of ABTA Pipeline Funds	0.00	0.00	784,708.00	784,708.00
Return of ATOL Pipeline Funds	0.00	0.00	41,024.00	41,024.00
Repayment of Euro Disney refund	0.00	337.00	0.00	337.00
TOTAL	382,138.00	380,831.27	1,291,085.00	1,671,916.27

Note 1 – Agents' fees & disbursements / Date Site costs / Gandi domain site costs/ Wages and salaries - These costs relate directly to those incurred in respect of the realisation of fixed charge assets.

Note 2 – Return of Trust Funds / Wages and salaries / PAYE & NIC / Bank charges / Euro Disney refund – These costs relate directly to those incurred in respect of the realisation of floating charge assets.

Appendix 6 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please contact Tom Morton on 0161 6187375.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Charge-out rates (£) for: Restructuring			
Grade	From 01 Jan 2019 £/hr	From 01 Oct 2019 £/hr	From 01 Jan 2020 £/hr
Partner	655	655	690
Director	590	590	620
Senior Manager	535	535	560
Manager	445	445	467
Senior Administrator	310	310	325
Administrator	225	225	236
Support	140	140	147

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements: These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following disbursements from the date of our appointment to 1 February 2020.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Accommodation	441.91		NIL		441.91
Advertising	60.23		NIL		60.23
Courier & delivery costs	129.25		NIL		129.25
Meals	849.40		NIL		849.40
Mileage	NIL		445.20		445.20
Postage	1,291.41		NIL		1,291.41
Professional and legal fees	100.00		NIL		100.00
Sundry	(1,659.82)		NIL		(1,659.82)
Telecommunications	476.62		NIL		476.62
Travel	1,973.13		NIL		1,973.13
Total	3,662.13		445.20		4,107.33

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

The Category 2 disbursements have not been approved.

Narrative of work carried out for the period 2 August 2019 to 1 February 2020

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"> ■ collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets and information relating to the licences; ■ providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders, and advertising our appointment; ■ issuing regular press releases and posting information on a dedicated web page; ■ preparing statutory receipts and payments accounts; ■ arranging bonding and complying with statutory requirements; ■ ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ formulating, monitoring and reviewing the administration strategy, including the decision to trade and meetings with internal and external parties to agree the same; ■ briefing of our staff on the administration strategy and matters in relation to various work-streams; ■ regular case management and reviewing of progress, including regular team update meetings and calls; ■ meeting with management to review and update strategy and monitor progress; ■ reviewing and authorising junior staff correspondence and other work; ■ dealing with queries arising during the appointment; ■ reviewing matters affecting the outcome of the administration; ■ allocating and managing staff/case resourcing and budgeting exercises and reviews; ■ liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters; ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Reports to debenture holders	<ul style="list-style-type: none"> ■ providing written and oral updates to representatives of YES Bank Limited regarding the progress of the administration and case strategy.
Cashiering	<ul style="list-style-type: none"> ■ setting up administration bank accounts and dealing with the Company's pre-appointment accounts; ■ preparing and processing vouchers for the payment of post-appointment invoices; ■ creating remittances and sending payments to settle post-appointment invoices; ■ preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks; ■ reviewing and processing employee expense requests; ■ reconciling post-appointment bank accounts to internal systems; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	<ul style="list-style-type: none"> ■ gathering initial information from the Company's records in relation to the taxation position of the Company; ■ submitting relevant initial notifications to HM Revenue and Customs; ■ reviewing the Company's pre-appointment corporation tax and VAT position; ■ analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; ■ working initially on tax returns relating to the periods affected by the administration; ■ analysing VAT related transactions; ■ reviewing the Company's duty position to ensure compliance with duty requirements; ■ dealing with post appointment tax compliance.
Shareholders	<ul style="list-style-type: none"> ■ providing notification of our appointment; ■ responding to enquiries from shareholders regarding the administration; ■ providing copies of statutory reports to the shareholders.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; ■ locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage.
Asset realisations	<ul style="list-style-type: none"> ■ collating information from the Company's records regarding the assets; ■ liaising with finance companies in respect of assets subject to finance agreements; ■ liaising with agents regarding the sale of assets; ■ dealing with issues associated with the sale of stock; ■ reviewing outstanding debtors and management of debt collection strategy; ■ liaising with Company credit control staff and communicating with debtors; ■ seeking legal advice in relation to book debt collections;

	<ul style="list-style-type: none"> ■ reviewing the inter-company debtor position between the Company and other group companies.
Property matters	<ul style="list-style-type: none"> ■ reviewing the Company's leasehold properties, including review of leases; ■ communicating with landlords regarding rent, property occupation and other issues;
Sale of business	<ul style="list-style-type: none"> ■ planning the strategy for the sale of the business and assets, including instruction and liaison with professional advisers; ■ seeking legal advice regarding sale of business, including regarding non-disclosure agreements; ■ collating relevant information and drafting information memorandum in relation to the sale of the Company's business and assets and advertising the business for sale; ■ dealing with queries from interested parties and managing the information flow to potential purchasers, including setting up a data room; ■ managing site visits with interested parties, fielding due diligence queries and maintaining a record of interested parties; ■ carrying out sale negotiations with interested parties.
Health and safety	<ul style="list-style-type: none"> ■ liaising with internal health and safety specialists in order to manage all health and safety issues and environmental issues, including ensuring that legal and licensing obligations are complied with; ■ liaising with the Health and Safety Executive regarding the administration and ongoing health and safety compliance.
Open cover insurance	<ul style="list-style-type: none"> ■ arranging ongoing insurance cover for the Company's business and assets; ■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; ■ assessing the level of insurance premiums.
Employees	<ul style="list-style-type: none"> ■ dealing with queries from employees regarding various matters relating to the administration and their employment; ■ dealing with statutory employment related matters, including statutory notices to employees and making statutory submissions to the relevant government departments; ■ holding employee briefing meetings to update employees on progress in the administration and our strategy; ■ administering the Company's payroll, including associated taxation and other deductions, and preparing PAYE and NIC returns; ■ communicating and corresponding with HM Revenue and Customs; ■ dealing with issues arising from employee redundancies, including statutory notifications and liaising with the Redundancy Payments Office; ■ managing claims from employees; ■ ensuring security of assets held by employees.
Pensions	<ul style="list-style-type: none"> ■ collating information and reviewing the Company's pension schemes; ■ calculating employee pension contributions and review of pre-appointment unpaid contributions; ■ ensuring compliance with our duties to issue statutory notices; ■ liaising with the trustees of the defined benefit pension scheme, the Pensions Regulator and the Pensions Protection Fund concerning the changes caused to the pension scheme as a result of our appointment; ■ ensuring death-in-service cover for employees remains in place; ■ communicating with employees representatives concerning the effect of the administration on pensions and dealing with employee queries.
Creditors and claims	<ul style="list-style-type: none"> ■ drafting and circulating our proposals; ■ creating and updating the list of unsecured creditors; ■ responding to enquiries from creditors regarding the administration and submission of their claims; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; ■ dealing with suppliers with retention of title claims, including reviewing supporting documentation and arranging and carrying out stock inspection visits; ■ drafting our progress report.
Investigations/directors	<ul style="list-style-type: none"> ■ reviewing Company and directorship searches and advising the directors of the effect of the administration; ■ liaising with management to produce the Statement of Affairs and filing this document with the Registrar of Companies; ■ arranging for the redirection of the Company's mail; ■ reviewing the questionnaires submitted by the Directors of the Company; ■ reviewing pre-appointment transactions; ■ submitting the online director conduct assessment to the relevant authority.

Time costs

SIP 9 –Time costs analysis (02/08/2019 to 01/02/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Bankrupt/Director/Member			
Notification of appointment	14.60	4,056.00	277.81
Cashiering			
Fund management	3.50	974.00	278.29
General (Cashiering)	56.50	14,279.00	252.73
Reconciliations (& IPS accounting reviews)	2.30	543.30	236.22
General			
Books and records	0.60	186.00	310.00
Fees and WIP	2.20	777.50	353.41
Statutory and compliance			
Advising directors	1.90	589.00	310.00
Appointment and related formalities	68.00	21,841.50	321.20
Bonding & Cover Schedule	0.90	333.00	370.00
Budgets & Estimated outcome statements	29.80	9,940.50	333.57
Checklist & reviews	40.70	6,868.00	168.75
Pre-administration checks	1.00	140.00	140.00
Reports to debenture holders	20.45	11,068.00	541.22
Statutory receipts and payments accounts	10.76	5,088.40	472.90
Strategy documents	29.17	12,764.30	437.58
Tax			
Initial reviews - CT and VAT	3.80	1,691.00	445.00
Post appointment corporation tax	14.00	5,013.50	358.11
Post appointment PAYE (Non Trading)	9.40	4,660.00	495.74
Post appointment VAT	6.90	2,462.00	356.81
Creditors			
Creditors and claims			
Agreement of claims	0.40	56.00	140.00
Agreement of unsecured claims	3.00	675.00	225.00
General correspondence	203.60	39,793.75	195.45
Notification of appointment	2.30	517.50	225.00
Payment of dividends	4.40	1,364.00	310.00
Pre-appointment VAT / PAYE / CT	0.30	120.00	400.00
ROT Claims	2.20	172.00	78.18
Secured creditors	29.39	15,357.60	522.55

SIP 9 –Time costs analysis (02/08/2019 to 01/02/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Statutory reports	95.22	31,542.30	331.26
Employees			
Correspondence	182.25	54,283.15	297.85
Pensions reviews	17.05	4,515.00	264.81
Investigation			
Directors			
Correspondence with directors	2.20	571.00	259.55
D form drafting and submission	15.80	4,383.00	277.41
Directors' questionnaire / checklist	0.34	200.60	590.00
Statement of affairs	8.50	2,905.00	341.76
Investigations			
Correspondence re investigations	18.70	5,143.00	275.03
Review of pre-appt transactions	148.50	46,746.25	314.79
Realisation of assets			
Asset Realisation			
Cash and investments	28.24	8,058.10	285.34
Debtors	272.40	126,676.00	465.04
Insurance	0.40	124.00	310.00
Intellectual Property	7.40	2,224.00	300.54
Leasehold property	13.53	4,384.20	324.04
Office equipment, fixtures & fittings	5.50	1,982.50	360.45
Other assets	49.30	10,412.50	211.21
Sale of business	374.27	163,625.80	437.19
Vehicles	2.00	110.00	55.00
Trading code used outside trading period			
Trading			
Employee Matters / PAYE	1.40	506.00	361.43
Total in period	1,805.07	629,723.25	348.86
Brought forward time (appointment date to SIP 9 period start date)	0.00	0.00	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	1,805.07	629,723.25	
Carry forward time (appointment date to SIP 9 period end date)	1,805.07	629,723.25	

Appendix 7 Glossary

ABTA	Association of British Travel Agents
ATOL	Air Travel Organisers' Licensing
Bank / Secured Creditor	YES Bank Limited
BEIS	Department for Business, Energy & Industrial Strategy
CAA	Civil Aviation Authority
Company	Superbreak Mini Holidays Limited - in Administration
Court	High Court of Justice, Business and Property Courts in Manchester
Cox & Kings India	Cox & Kings Limited (an India registered company)
Directors	John McLaughlin, Hugo Kimber and Peter Ajay Kerkar
GDPR	General Data Protection Regulation
Group	The Company together with: LateRooms Limited and Malvern Travel Technology Limited (both in administration); and Hotels London Limited, Superbreak Mini-Holidays Group Limited; Superbreak Mini-Holidays Transport Limited; Malvern Travel Limited; and Malvern Group Limited

ICO	Information Commissioner's Office
Joint Administrators/we/our/us	Tracey Pye and David Costley-Wood
KPMG	KPMG LLP
LateRooms	<i>LateRooms Limited</i>
Metis	Metis Partners Inc.
MTT	Malvern Travel Technology Limited – in Administration
Peninsula	Peninsula Business Services Limited
Period	2 August 2019 to 1 February 2020
Proposals	Statement of the Joint Administrators' Proposals
the Regulators	CAA and ABTA
RRG	KPMG Restructuring Realisations Group
SIA	SIA Group Limited
Shoosmiths	Shoosmiths LLP

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

Appendix 8 Notice: About this report

This report has been prepared by Tracey Pye and David Costley-Wood, the Joint Administrators of Superbreak Mini-Holidays Limited – in Administration (the ‘Company’), solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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

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

Tracey Lee Pye and David James Costley-Wood are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – home.kpmg.com/uk/en/home/misc/privacy-policy-insolvency-court-appointments.html.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

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