



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

1 Company details

Company number 0 2 0 9 8 6 5 4

Company name in full Monarch Holidays Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) James Robert

Surname Tucker

3 Administrator's address

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

4 Administrator's name ①

Full forename(s) Blair Carnegie

Surname Nimmo

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

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 4	^y 2	^y 0	^y 2	^y 0
To date	^d 0	^d 1	^m 1	^m 0	^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

J. Tucker

X

Signature date

^d 2	^d 8	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0
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**Presenter information**

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

Contact name Marie Hayden

Company name KPMG LLP

Address 15 Canada Square

Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

DX

Telephone Tel +44 (0) 20 7311 2208

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

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

Continuation page

Name and address of insolvency practitioner

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

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

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

1 Appointment type

Tick to show the nature of the appointment:

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

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Stephen John

Surname

Absolom

3 Insolvency practitioner's address

Building name/number

15 Canada Square

Street

Canary Wharf

Post town

London

County/Region

Postcode

E 1 4 5 G L

Country



Joint Administrators' progress report for the period 2 April 2020 to 1 October 2020

Monarch Holidays Limited,
First Aviation Limited, Avro
Limited, Monarch Travel
Group Limited,
somewhere2stay Limited, MH
Aviation Transport Limited -
all in Administration

28 October 2020

Deemed delivered: 28
October 2020

Notice to creditors

This progress report provides an update on each of the administrations.

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 each of the administrations 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, <http://www.kpmg.co.uk/monarch>. 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 period from 2 April 2020 to 1 October 2020 for the Companies. There are three reports to creditors related to the eight remaining concurrent administrations; one for Monarch Airlines, one for Monarch Holidays sub-group and one for Monarch Holdings. This report is for the Monarch Holidays sub-group.

The Group's key assets were:

- Slots. Realised for £54 million.
- Unrestricted cash at bank of £27.8 million on appointment. Realisations to date at Monarch Airlines are £22.5 million and Monarch Holidays are £5.1 million.

In addition, we have realised cash collateral held by third parties at appointment of £0.4 million and £1.0 million in Monarch Airlines and Monarch Holidays respectively.

The Group's engineering business, MAEL, entered into administration on 4 January 2019.

The key asset realisations within the Companies relate to debtors and cash at bank on appointment.

The main commercial matters in relation to the Group were concluded earlier this year. Our primary focus since then has been to seek tax clearance from HMRC and progress distributions to unsecured creditors of First Aviation, somewhere2stay, Monarch Travel Group and MH Aviation Transport.

In addition, further to receipt of tax clearance from HMRC, the Companies have either paid or received the consideration due from Group companies in respect of losses surrendered. Post the period end, Monarch Holidays and Avro received inter-company dividends, following which we will now take the appropriate steps to bring these administrations to a close (Section 2 - Progress to date).

Across the Group, value will break in the secured debt as previously indicated. We have not made any distributions to the secured creditors in this period (Section 3 - Dividend prospects and dividends paid).

Monarch Holidays is the only Company of the Monarch Holidays sub-group with preferential creditors. These preferential creditors have been paid in full (Section 3 - Dividend prospects and dividends paid).

Other than a small dividend in First Aviation and a small prescribed part in somewhere2stay, Monarch Travel Group and MH Aviation Transport (Section 3 - Dividend prospects and dividends paid), there is no real prospect of further returns to unsecured creditors in any of the Companies.

During the period, the Court granted a further six-month extension to the period of the administrations.

Please note: you should read this progress report in conjunction with our previous progress reports and proposals issued to the Companies' creditors which can be found at <http://www.kpmg.co.uk/monarch>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Jim Tucker
Joint Administrator

2 Progress to date

This section updates you on our strategy for each of the administrations and on our progress to date. It follows the information provided in our previous progress reports.

2.1 Strategy and progress to date

Overall administration strategy

During the period, our primary focus has been to progress and facilitate the distributions to the unsecured creditors of First Aviation, somewhere2stay, Monarch Travel Group and MH Aviation Transport, as well as finalising the Group's tax affairs, so that we can conclude these administrations.

All matters in relation to Avro Aviation and Monarch 2011 were concluded and, following the filing of our final report to Companies House, we have ceased to act in respect of these two companies. These companies will be dissolved three months after the Registrar of Companies registers these documents.

Matters specific to the Companies are set out below.

Services and Funding Agreement (SFA)

As previously reported, we agreed services to be provided to the CAA, covering matters that would not ordinarily be undertaken in an administration, and the terms of reimbursement in the SFA. The CAA has funded all costs in this regard.

We worked with the CAA in relation to the recovery of travel agent debtors during the administration of Monarch Holidays. In the period we made the final payments to the CAA in relation to travel agent debtor recoveries (see Section 2.3 below) and transferred the balance of travel agent debtor receipts from the 'ATT Trust account' to Monarch Holidays' administration bank account for the benefit of the estate.

Tax

We submitted the Companies' corporation tax returns for the year ended 31 October 2019 in May 2020, followed in July 2020 with the submission of the final tax returns for each company for the period to 9 June 2020.

We requested formal tax clearance at the time of submission of the final tax returns. This was received from HMRC for each of the Companies in August 2020.

As previously reported, we had agreed that where Group companies had surrendered losses to other Group companies for the year ended 31 October 2018, that the recipient of the losses would share the benefit with the Group company that had provided the losses.

The receipt of tax clearance meant the applicable Group companies were in a position to pay the consideration for losses surrendered. Details of such payments/receipts for the Companies are set out in sections 2.2 and 2.3 below.

Inter-company debtors

Those estates with funds for unsecured creditors have now declared a modest first and final dividend as follows: First Aviation (1.84p/£), somewhere2stay (1.38p/£), Monarch Travel Group (0.16p/£) and MH Aviation Transport (0.16p/£).

Post the period Monarch Holidays and Avro have received modest dividends in respect of inter-company debts from certain of the above estates.

VAT

We submitted the requisite forms to HMRC to disband the Monarch Holidays VAT group, which includes Avro and somewhere2stay in addition to Monarch Holidays, and deregister these companies from VAT. HMRC has now confirmed the date of deregistration.

First Aviation is part of the Monarch Airlines VAT group, where confirmation of the date of deregistration is awaited from HMRC.

MH Aviation Transport was deregistered for VAT earlier in the administration.

Once all final costs have been paid, we will submit our respective final VAT reclaims for each company to HMRC.

Monarch Travel Group was not registered for VAT.

Conclusion of the administrations

For the reasons set out above we were unable to conclude the remaining matters in these administrations prior to their previous expiry on 1 October 2020. We therefore submitted an application to Court to seek an extension of six months to 1 April 2021.

This extension was approved by the Court for each of the Companies and we are now in the process of concluding the remaining matters in these administrations.

2.2 Asset realisations

Realisations during the period for each of the Companies are set out in the attached receipts and payments accounts (Appendix 2).

Other than bank interest received in each estate, a summary of the most significant realisations during the period for the applicable companies is provided below.

First Aviation

During the period, £421,030 was received as First Aviation's share of consideration for group relief surrender, referred to in section 2 above.

The largest balances were from Monarch Airlines (c. £297,000) and Monarch Holidays (c.£114,000) with smaller balances received from MH Aviation Transport, Avro and somewhere2stay.

Monarch Travel Group

During the period, £224,522 was received as Monarch Travel Group's share of consideration for group relief surrender, referred to in section 2 above.

The largest balances were from Monarch Airlines (c. £117,000) and Monarch Holidays (c.£106,000) with smaller balances received from MH Aviation Transport, Avro, Avro Aviation and somewhere2stay.

2.3 Costs

Payments made in this period are set out in the attached receipts and payments accounts (Appendix 2).

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

Consideration for surrender of tax losses

As mentioned above, the payments below were made representing consideration due to other Group companies relating to the surrender of tax losses by them in order to minimise the Companies' corporation tax liability in respect of taxable income that arose during the administration period.

Consideration paid for surrender of tax losses, £	
Monarch Holidays	220,114
Avro	1,406
somewhere2stay	710
MH Aviation Transport	9,772
Total	232,002

First Aviation

Legal costs and disbursements c.£15,000 were paid to Freshfields for their advice and assistance in submitting the application to Court to obtain permission to make a distribution to this Company's unsecured creditors.

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).

Legal fees

We have accrued modest legal costs in connection with the application to Court seeking an extension of the administration for each company.

3 Dividend prospects and dividends paid

3.1 Secured creditors

We set out a summary of the material security position for the Companies, together with a summary of the security provided to merchant acquirers over Monarch Holidays' and First Aviation's bank accounts in our Proposals.

As previously advised, we consider that value will break in the secured debt.

During the period, we have not made a distribution to the secured creditors. A further distribution will be available for PJL from Monarch Holidays, Monarch Travel Group, somewhere2stay and MH Aviation Transport once all outstanding matters have been concluded.

3.2 Preferential creditors

Monarch Holidays was the only Company with employees. As previously reported, the preferential creditors have been paid in full.

3.3 Unsecured creditors

We have declared a small first and final dividend to creditors of First Aviation, Monarch Travel Group, MH Aviation Transport and somewhere2stay.

A dividend of 0.16p in the £ has been paid to creditors with agreed claims against MH Aviation and Monarch Travel Group. The total amount distributed to unsecured creditors was £39,642 and £39,045 respectively.

We are in the process of paying dividends to creditors with agreed claims against First Aviation and somewhere2stay. The amount being distributed by First Aviation is £488,635 resulting in a modest dividend of 1.84p in the £. Funds of £168,616 are being distributed by somewhere2stay, equating to a small dividend of 1.38p in the £.

There will not be a dividend available for the unsecured creditors of Avro.

As previously advised, there will be no distribution to unsecured creditors of Monarch Holidays. We obtained an order from the Court that the prescribed part, being funds ordinarily set aside for unsecured creditors up to a maximum of £0.6 million, shall not apply on the grounds that the cost of making a distribution to the unsecured creditors would be disproportionate to the benefits, and exceed the funds available.

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

4.1 Joint Administrators' remuneration and disbursements

Time costs

From 2 April 2020 to 1 October 2020, we have incurred the following time costs. These are based on our standard charge out rates; however, as previously reported, we have agreed a cap of 80% of our time costs with the senior secured creditor.

	Time costs 2 April 2020 to 1 October 2020, £	Total hours 2 April 2020 to 1 October 2020	Average hourly rate, £
Monarch Holidays	38,638	90	428
First Aviation	22,968	49	473
Avro	8,439	22	388
Monarch Travel Group	21,536	48	446
somewhere2stay	36,628	97	376
MH Aviation Transport	14,046	35	401
Total	142,255	341	417

Disbursements

During the period, we have incurred disbursements of £7 and £1,017 in Monarch Travel Group and somewhere2stay respectively.

Additional information

We have attached a revised fees estimate at Appendix 4 for First Aviation. Our time costs have increased as a result of it taking longer to conclude the administration whilst Group related tax matters were finalised and in relation to the distribution to the unsecured creditors.

A revised expenses estimate is attached for Monarch Holidays at Appendix 5. The main reason for exceeding our initial expenses estimate, provided in our Proposals, is the recent payment made to Group companies in relation to the surrender of tax losses, as mentioned throughout this report.

We have attached (Appendix 6) an analysis of the time spent for each company, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 2 April 2020 to 1 October 2020. We have also attached our charging and disbursements policy.

5 Future strategy

5.1 Future conduct of the administrations

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

- Paying the dividends to creditors of First Aviation and somewhere2stay and processing the receipt of these dividends in Monarch Holidays and Avro;
- Payment of the final costs of the administration and submission of final VAT reclaims to HMRC;
- Facilitating the remaining distributions to the secured creditors;
- Submitting an application to Court seeking discharge from liability in respect of any action of ours in our role as Joint Administrator of the Companies, envisaged to take effect from 28 days after the date the Registrar of Companies files our final reports and notices;
- Attending to all other statutory and administrative matters when they fall due including creditor correspondence.

5.2 Extension of the administration

During the period, the Court granted a six-month extension to the period of each of the administrations.

The administrations are currently due to end on 1 April 2021.

5.3 Future reporting

We intend to provide our final progress report by 1 April 2021 or earlier if any of the administrations have been completed prior to that time.

Appendix 1 Statutory information

Company information	
Company name	Monarch Holidays Limited
Date of incorporation	10 February 1987
Company registration number	02098654
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL
Administration information	
Administration appointment	The administration appointment granted in High Court of Justice, 007263 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is £8.6 million. The Prescribed Part is capped at the statutory maximum of £600,000. The Court Order to disapply the Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.3).
Prescribed Part distribution	The Joint Administrators have obtained an order from the Court 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 April 2021

Company information

Company name	First Aviation Limited
Date of incorporation	25 January 1993
Company registration number	02783179
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007245 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Prescribed Part	The Prescribed Part is not applicable on this case as there are no secured creditors.
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 April 2021

Company information

Company name	Avro Limited
Date of incorporation	20 December 1983
Company registration number	01779584
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007258 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Estimated values of the Net Property and Prescribed Part	The Prescribed Part is not applicable on this case as the net property is expected to be below the prescribed minimum of £10,000.
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 April 2021

Company information

Company name	Monarch Travel Group Limited
Date of incorporation	26 March 1975
Company registration number	01205109
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007260 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is c.£180,225. The estimated maximum Prescribed Part is c.£39,045. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.3).
Prescribed Part distribution	The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply. Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.
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 April 2021

Company information

Company name	somewhere2stay Limited
Date of incorporation	15 December 1986
Company registration number	02083982
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007269 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is c.£828,080. The estimated maximum Prescribed Part is c.£168,616. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.3).
Prescribed Part distribution	The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply. Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.
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 April 2021

Company information

Company name	MH Aviation Transport Limited
Date of incorporation	11 November 1974
Company registration number	01190110
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007257 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is c.£183,209. The Prescribed Part is £39,642. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.3).
Prescribed Part distribution	The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply. Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.
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 April 2021

Appendix 2 Joint Administrators' receipts and payments account

Monarch Holidays

Monarch Holidays Limited - in Administration

Abstract of receipts & payments				Cumulative GBP
Statement of affairs (£)	From 02/04/2020 To 01/10/2020 (£)	From 02/04/2020 To 01/10/2020 (EUR)	From 02/04/2020 To 01/10/2020 (US\$)	From 02/10/2017 To 01/10/2020 (£)
FIXED CHARGE ASSETS				
8,907,340.00 Cash collateral - Merchant acquirer	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL
FIXED CHARGE CREDITORS				
(8,907,340.00) Fixed charge creditor	NIL	NIL	NIL	NIL
(94,685,897.00) Fixed charge creditor (2)	NIL	NIL	NIL	NIL
(7,500,000.00) Fixed charge creditor (3)	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL
ASSET REALISATIONS				
Intangible assets	NIL	NIL	NIL	840.00
5,000.00 Tangible assets	NIL	NIL	NIL	0.00
3,168,217.00 Book debts	NIL	NIL	NIL	2,144,321.55
Book debts - travel agents	706.60	NIL	NIL	5,392,992.00
Hotel pre payment refunds	NIL	NIL	NIL	669,882.01
VAT refunds (pre-app'ent)	NIL	NIL	NIL	125,241.83
4,950,078.00 Cash at bank	NIL	NIL	NIL	6,171,802.71
Sundry refunds	2,992.55	NIL	NIL	2,956.55
Credit Card settlement	NIL	NIL	NIL	231,108.26
	3,699.15	NIL	NIL	14,739,144.91
OTHER REALISATIONS				
Bank interest, gross	2,050.69	NIL	NIL	84,519.45
Aviva refunds	NIL	NIL	NIL	122.77
Insurance refund	NIL	NIL	NIL	5,246.60
Reimbursement of legal fees incurred	NIL	NIL	NIL	2,160.18
Third party funds received	NIL	NIL	NIL	34,966.02
Currency Account Transfers	NIL	NIL	NIL	717,118.51
	2,050.69	NIL	NIL	844,133.53
COST OF REALISATIONS				
Consideration for group relief surrender	(220,114.16)	NIL	NIL	(220,114.16)
Pre-administration legal fees	NIL	NIL	NIL	(56,178.95)
ATT funds paid	NIL	NIL	NIL	(4,472,469.21)
Administrators' fees	NIL	NIL	NIL	(1,110,584.20)
Administrators' expenses	NIL	NIL	NIL	(9,851.00)
Employee expenses	NIL	NIL	NIL	(2,820.50)

Overseas rep costs	NIL	NIL	NIL	(38,547.02)
Agents'/Valuers' fees	NIL	NIL	NIL	(129,227.01)
ERA solution costs	NIL	NIL	NIL	(5,104.28)
Legal fees	NIL	NIL	NIL	(248,382.99)
Costs recharged under the SFA	NIL	NIL	NIL	443,100.25
Telephone/Telex/Fax	NIL	NIL	NIL	(7,201.41)
Storage costs	(5,434.50)	NIL	NIL	(23,393.61)
Intercompany	(706.60)	NIL	NIL	(706.60)
Re-direction of mail	NIL	NIL	NIL	(1,632.00)
Statutory advertising	NIL	NIL	NIL	(140.00)
Rent	NIL	NIL	NIL	(34,538.20)
Rates	NIL	NIL	NIL	(4,858.26)
Other property expenses	NIL	NIL	NIL	(815.00)
Wages & salaries	NIL	NIL	NIL	(161,146.01)
PAYE & NIC	NIL	NIL	NIL	(75,412.47)
Bank charges	(5.00)	NIL	NIL	(1,769.71)
Third party funds paid	NIL	NIL	NIL	(34,966.02)
Currency Account transfers	NIL	NIL	NIL	(755,415.00)
	(226,260.26)	NIL	NIL	(6,952,173.36)
PREFERENTIAL CREDITORS				
(38,087.00) Employee creditors	NIL	NIL	NIL	(47,772.54)
	NIL	NIL	NIL	(47,772.54)
FLOATING CHARGE CREDITORS				
Floating charge	NIL	NIL	NIL	(7,032,500.00)
	NIL	NIL	NIL	(7,032,500.00)
UNSECURED CREDITORS				
(70,021,165.00) Trade, Intercompany, Other	NIL	NIL	NIL	NIL
(1,148,308.00) Employees	NIL	NIL	NIL	NIL
(9,928,910.00) Pre-paid consumer creditors	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL
DISTRIBUTIONS				
(27,200,000.00) Ordinary shareholders	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL
(202,399,072.00)	(220,510.42)	NIL	NIL	1,550,832.54
REPRESENTED BY				
Floating ch. VAT rec'able				301,997.54
Floating charge current				1,528,645.81
Floating ch. VAT payable				(122,278.82)
Floating ch. VAT control				(157,531.99)
				1,550,832.54

First Aviation

First Aviation Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 02/04/2020 To 1/10/2020 (£)	From 02/10/2017 To 1/10/2020 (£)
FIXED CHARGE ASSETS			
75,925.00	Cash collateral - Merchant acquirer	NIL	NIL
115,362.00	Cash collateral - Merchant acquirers	NIL	NIL
16,310,433.00	Cash collateral held	NIL	NIL
		NIL	NIL
FIXED CHARGE CREDITORS			
(75,925.00)	Fixed charge creditor	NIL	NIL
(115,362.00)	Fixed charge creditor (2)	NIL	NIL
(16,310,433.00)	Fixed charge creditor (3)	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
4,605.00	Cash at bank	NIL	120,044.03
	Consideration for group relief surrender	421,029.55	421,029.55
		421,029.55	541,073.58
OTHER REALISATIONS			
	Bank interest, gross	301.00	1,205.23
	Facility from CAA	NIL	2,500.00
		301.00	3,705.23
COST OF REALISATIONS			
	Pre-administration legal fees	NIL	(2,340.79)
	Administrators' fees	NIL	(30,000.00)
	Administrators' expenses	NIL	(267.00)
	Legal fees	(15,202.80)	(15,202.80)
	Re-direction of mail	NIL	(612.00)
	Bank charges	(20.00)	(40.00)
	Repayment of CAA funding	NIL	(2,561.44)
		(15,222.80)	(51,024.03)
UNSECURED CREDITORS			
(34,794,151.00)	Trade, Intercompany, Other	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
(25,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(34,814,546.00)		406,107.75	493,754.78

First Aviation Limited - in Administration**Abstract of receipts & payments**

Statement of affairs (£)	From 02/04/2020 To 1/10/2020 (£)	From 02/10/2017 To 1/10/2020 (£)
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REPRESENTED BY

Floating ch. VAT rec'able		9,543.12
Floating charge current - NIB wef 170620		490,733.22
Floating ch. VAT control		(6,521.56)
		493,754.78

Avro

Avro Limited - in Administration**Abstract of receipts & payments**

Statement of affairs (£)	From 02/04/2020 To 1/10/2020 (£)	From 02/10/2017 To 1/10/2020 (£)
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FIXED CHARGE CREDITORS

(7,500,000.00)	Fixed charge creditor	NIL	NIL
(94,685,897.00)	Fixed charge creditor (2)	NIL	NIL
		NIL	NIL

ASSET REALISATIONS

18,279.00	Trade & Other receivables	NIL	NIL
	Book debts	NIL	10,860.17
8,476.00	Cash at bank	NIL	8,474.88
		NIL	19,335.05

OTHER REALISATIONS

	Bank interest, gross	NIL	163.99
	Facility from CAA	NIL	2,500.00
		NIL	2,663.99

COST OF REALISATIONS

	Consideration for group relief surrender	(1,406.36)	(1,406.36)
	Pre-administration legal fees	NIL	(2,340.79)
	Re-direction of mail	NIL	(612.00)
	Bank charges	10.00	10.00
		(1,396.36)	(4,349.15)

UNSECURED CREDITORS

(23,820,499.00)	Trade, Intercompany, Other	NIL	NIL
(225,030.00)	Pre-paid customer creditors	NIL	NIL
		NIL	NIL

Avro Limited - in Administration**Abstract of receipts & payments**

Statement of affairs (£)	From 02/04/2020 To 1/10/2020 (£)	From 02/10/2017 To 1/10/2020 (£)
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DISTRIBUTIONS

(16,100,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(142,304,671.00)		(1,396.36)	17,649.89

REPRESENTED BY

Floating ch. VAT rec'able	468.16
Floating charge current - NIB 21/11/19	17,649.89
Floating ch. VAT control	(468.16)
	17,649.89

Monarch Travel Group**Monarch Travel Group Limited - in Administration****Abstract of receipts & payments**

Statement of affairs (£)	From 02/04/2020 To 1/10/2020 (£)	From 02/10/2017 To 1/10/2020 (£)
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FIXED CHARGE CREDITORS

(7,500,000.00)	Fixed charge creditor	NIL	NIL
(94,685,897.00)	Fixed charge creditor (2)	NIL	NIL
		NIL	NIL

ASSET REALISATIONS

Consideration for group relief surrender	224,551.89	224,551.89
	224,551.89	224,551.89

OTHER REALISATIONS

Bank interest, gross	106.33	124.29
Rates refund	NIL	1,682.06
Facility from CAA	NIL	2,500.00
	106.33	4,306.35

COST OF REALISATIONS

Pre-administration legal fees	NIL	(2,340.79)
Irrecoverable VAT	(15.80)	(551.24)
Agents'/Valuers' fees	NIL	(336.41)
Re-direction of mail	NIL	(612.00)
Statutory advertising	(79.00)	(79.00)
Bank charges	(20.00)	(20.00)

Monarch Travel Group Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 02/04/2020 To 1/10/2020 (£)	From 02/10/2017 To 1/10/2020 (£)
	Repayment of CAA funding	(2,693.36)	(2,693.36)
		(2,808.16)	(6,632.80)
	UNSECURED CREDITORS		
(32,413,026.00)	Trade, Intercompany, Other	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(20,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(134,618,923.00)		221,850.06	222,225.44
	REPRESENTED BY		
	Floating charge current - NIB wef 170620		222,225.44
			222,225.44

somewhere2stay

somewhere2stay Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 02/04/2020 To 1/10/2020 (£)	From 02/10/2017 To 1/10/2020 (£)
	FIXED CHARGE CREDITORS		
(7,500,000.00)	Fixed charge creditor	NIL	NIL
(94,685,897.00)	Fixed charge creditor (2)	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
644,698.00	Trade and Other receivables	NIL	NIL
	Book debts	NIL	869,626.64
1,970.00	Cash at bank	NIL	1,970.00
		NIL	871,596.64
	OTHER REALISATIONS		
	Bank interest, gross	507.79	7,924.92
	Facility from CAA	NIL	2,500.00
		507.79	10,424.92
	COST OF REALISATIONS		
	Consideration for group relief surrender	(710.48)	(710.48)

somewhere2stay Limited - in Administration**Abstract of receipts & payments**

Statement of affairs (£)		From 02/04/2020 To 1/10/2020 (£)	From 02/10/2017 To 1/10/2020 (£)
	Pre-administration legal fees	NIL	(2,340.79)
	Administrators' fees	NIL	(41,500.00)
	Administrators' expenses	NIL	(494.00)
	Re-direction of mail	NIL	(1,224.00)
	Statutory advertising	(79.00)	(79.00)
	Bank charges	NIL	(50.00)
	Repayment of CAA funding	NIL	(2,542.95)
		(789.48)	(48,941.22)
	FLOATING CHARGE CREDITORS		
	Floating charge	NIL	(400,000.00)
		NIL	(400,000.00)
	UNSECURED CREDITORS		
(21,970,560.00)	Trade, Intercompany, Other	NIL	NIL
(283,047.00)	Pre-paid consumer creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(50,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(123,842,836.00)		(281.69)	433,080.34
	REPRESENTED BY		
	Floating ch. VAT rec'able		2,783.96
	Floating charge current - NIB wef 170620		433,064.54
	Floating ch. VAT control		(2,768.16)
			433,080.34

MH Aviation Transport**MH Aviation Transport Limited - in Administration****Abstract of receipts & payments**

Statement of affairs (£)		From 02/04/2020 To 1/10/2020 (£)	From 02/10/2017 To 1/10/2020 (£)
	FIXED CHARGE CREDITORS		
(7,500,000.00)	Fixed charge creditor	NIL	NIL
(94,685,897.00)	Fixed charge creditor (2)	NIL	NIL

MH Aviation Transport Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 02/04/2020 To 1/10/2020 (£)	From 02/10/2017 To 1/10/2020 (£)
		NIL	NIL
	ASSET REALISATIONS		
	VAT refunds (pre-app'ent)	NIL	231,523.81
1,000.00	Cash at bank	NIL	1,000.00
		NIL	232,523.81
	OTHER REALISATIONS		
	Bank interest, gross	103.99	2,460.87
	Facility from CAA	NIL	2,500.00
		103.99	4,960.87
	COST OF REALISATIONS		
	Consideration for group relief surrender	(9,772.44)	(9,772.44)
	Pre-administration legal fees	NIL	(2,340.79)
	Administrators' fees	NIL	(33,000.00)
	Administrators' expenses	NIL	(267.00)
	Re-direction of mail	NIL	(1,224.00)
	Statutory advertising	(79.00)	(79.00)
	Bank charges	NIL	(50.00)
	Repayment of CAA funding	NIL	(2,542.95)
		(9,851.44)	(49,276.18)
	FLOATING CHARGE CREDITORS		
	Floating charge	NIL	(100,000.00)
		NIL	(100,000.00)
	UNSECURED CREDITORS		
(32,561,836.00)	Trade, Intercompany, Other	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(134,746,833.00)		(9,747.45)	88,208.50
	REPRESENTED BY		
	Floating ch. VAT rec'able		7,137.36
	Floating charge current - NIB wef 170620		81,071.14
			88,208.50

Appendix 3 Schedule of expenses for each company

Monarch Holidays

Schedule of expenses (02/04/2020 to 01/10/2020)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Administrators' fees	0.00	38,637.50	38,637.50
Legal costs	0.00	7,250.00	7,250.00
Consideration for group relief surrender	220,114.16	0.00	220,114.16
Storage costs	3,003.75	0.00	3,003.75
Bank charges	5.00	0.00	5.00
TOTAL	223,122.91	45,887.50	269,010.41

First Aviation

Schedule of expenses (02/04/2020 to 30/09/2020)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Administrators' fees	0.00	22,967.65	22,967.65
Legal fees	15,202.80	2,250.00	17,452.80
Bank charges	20.00	0.00	20.00
TOTAL	15,222.80	25,217.65	40,440.45

Avro

Schedule of expenses (02/04/2020 to 30/09/2020)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Administrators' fees	0.00	8,439.15	8,439.15
Consideration for group relief surrender	1,406.36	0.00	1,406.36
Bank charges	(10.00)	0.00	(10.00)
TOTAL	1,396.36	8,439.15	9,835.51

somewhere2stay

Schedule of expenses (02/04/2020 to 30/09/2020)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Administrators' fees	0.00	36,628.05	36,628.05
Legal fees	0.00	2,250	2,250
Consideration for group relief surrender	710.48	0.00	710.48
Statutory advertising	79.00	0.00	79.00
TOTAL	789.48	38,878.05	39,667.53

Monarch Travel Group

Schedule of expenses (02/04/2020 to 30/09/2020)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Administrators' fees	0.00	21,536.05	21,536.05
Legal fees	0.00	1,416.67	1,416.67
Irrecoverable VAT	15.80	0.00	15.80
Statutory advertising	79.00	0.00	79.00
Bank charges	20.00	0.00	20.00
Repayment of CAA funding	2,693.36	0.00	2,693.36
TOTAL	2,808.16	22,952.72	25,760.88

MH Aviation Transport

Schedule of expenses (02/04/2020 to 30/09/2020)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Administrators' fees	0.00	14,046.05	14,046.05
Legal fees	0.00	2,250.00	2,250.00
Consideration for group relief surrender	9,772.44	0.00	9,772.44
Statutory advertising	79.00	0.00	79.00
TOTAL	9,851.44	16,296.05	26,147.49

Please note that the accrual for our remuneration for each company is based on our charge out rates; for consistency of reporting purposes these costs have not been adjusted to reflect the discount agreed with the senior secured lender.

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 the Joint Administrators at 15 Canada Square, Canary Wharf, London, E14 5GL or by email to monarchclaims@kpmg.co.uk.

Appendix 4 Joint Administrators' revised fees estimate for First Aviation

Estimated Joint Administrators' costs for First Aviation		Estimated time costs for the engagement disclosed in previous report dated 29 October 2019			Additional estimated time costs for the engagement			Total	
	Note	Estimated total hours	Estimated Total time cost (£)	Estimated Average hourly rate (£)	Additional Estimated total hours	Additional Estimated Total time cost (£)	Average hourly rate (£)	Total hours	Total (£)
Administration & Planning									
Cashiering - procession of receipts & payments and bank reconciliations	1	21	7,671	365	17	5953	350	38	13,624
General - books & records, fees and work in progress		18	7,319	407	0	0	0	18	7,319
Engagement management - administration strategy and case oversight		9	5,087	565	0	0	0	9	5,087
Statutory and compliance - appointment & related formalities, bonding checklist & reviews, reports to creditors, advertising		67	28,086	419	0	0	0	67	28,086
Reports to secured creditors - preparing & issuing reports to secured creditors		5	2,615	523	4	1140	285	9	3,755
Tax - VAT & corporation tax, initial reviews, pre and post appointment tax	2	13	5,355	412	17	4378	258	30	9,733
Creditors									
Creditors and claims - customers - correspondence and claims from customers of the company	3	50	19,743	395	30	13989	466	80	33,732
Press and stakeholder management - communication with key stakeholders and press		1	129	129				1	129
Investigation									
Directors - correspondence, statement of affairs, questionnaires		6	1,894	316	0	0	0	6	1,894
Investigations - director conduct and affairs of the company		7	2,513	359	0	0	0	7	2,513
					0	0			
					0	0			
Realisation of assets									
Asset realisation - realisation of the company's assets		2	632	316	1	414	414	3	1,046
Totals		199	81,044	407	69	25,874	376	268	106,918

The revised estimated time costs shown above reflects an update based on actual time, grade mix and process codes to which time has been charged. This therefore leads to variances by process codes compared with previous estimates. It also includes an estimate of future time costs that we envisage incurring.

For consistency of reporting, this estimate is based on our standard charge out rates; these costs have not been adjusted to reflect the discount agreed with the senior secured creditor. In line with the agreement reached with the senior secured creditor, we will not recover these costs in full. This includes our costs recharged to the CAA.

Further details in relation to the revised fees estimate and of work to be undertaken for this engagement are given below.

Our work in relation to the above matters will remain ongoing throughout the administration. As a result of the complex nature of the group engagement – including the extent of wind down activities following our initial appointments, the time required to conclude travel agent debtor reconciliations, and finalising the Group's corporation tax affairs – the expected complexity and length of the administrations have increased. As such, our initial cost estimates in respect of the costs of the case and its finalisation have increased.

Note 1 – Cashiering

In addition to ensuring ongoing compliance in relation to the operation of the administration bank account, additional time has been and will be spent in respect of issuing the dividend payments to unsecured creditors.

Note 2 – Tax

There has been an increase in our costs for the above area of our work related primarily to dealing with the Company's corporation tax affairs. These increased in complexity as a result of transfers of Group tax losses.

Note 3 – Creditors and claims

Additional costs have been and will be incurred as a result of the work undertaken ahead of the dividend distribution to the unsecured creditors. This has involved submitting an application to Court for approval to distribute funds to unsecured creditors, communicating with creditors and issuing a notice of intended dividend in order to make all reasonable efforts to contact known and potential creditors.

Appendix 5 Joint Administrators' revised expenses estimate for Monarch Holidays

Summary of estimated administration expenses					
Expenses (£)	Notes	Initial Estimate, £	Paid to date, £	Estimated future costs, £	Total estimated costs, £
Employees		245,000	239,379	0	239,379
Insurance		24,000	0	0	0
Overseas reps costs		40,000	38,547	0	38,547
Pre-administration legal fees	1	18,000	56,179	0	56,179
Legal fees	2	150,000	248,383	10,000	258,383
Agent fees	3	24,000	129,227	0	129,227
Other costs	4	14,000	80,159	15,000	95,159
Recharged costs		352,000	0	0	0
Consideration for group relief surrender	5	0	220,114	0	220,114
Total		867,000	1,011,988	25,000	1,036,988

Our initial expenses estimate for Monarch Holidays was provided in our Proposals. As set out in the table above, since then there has been a change in the allocation of the expenses incurred during the administration, with no liabilities arising for certain expenses categories.

The main reason for exceeding our initial expenses estimate is the recent payment made to Group companies in relation to the surrender of tax losses.

Further explanation is as follows.

Note 1 – Pre-administration legal fees

As explained in our second progress report, the unpaid pre-administration costs were incurred by Freshfields for work undertaken with a view to placing the company into administration. At the time of preparing the initial fees estimate we allocated these costs equally across the Group.

This allocation was revisited following receipt of further information in relation to these costs from Freshfields, with the pre-administration legal costs and disbursements for Monarch Holidays being £56,179.

We obtained approval to pay these costs during the administration.

Note 2 – Legal fees

The legal fees incurred during the administration are higher than initially forecast. During the administration we have received legal advice, from Freshfields, in relation to numerous matters, including: employee related matters, assistance with an application to Court to disapply the Prescribed Part, two applications to Court to extend the period of the administration, the settlement agreement reached with Mastercard, debtors and intellectual property.

We have provided for final legal fees in relation to applications to Court for the second administration application and seeking our discharge from liability in respect of any action of ours in our role as Joint Administrator of the Company.

Note 3 – Agents' fees

We have engaged a number of agents during the course of the administration, with the majority of costs incurred being paid to TMC Advisory Limited. This related to debtor realisations, with the fee paid to them on a percentage of realisation basis.

Note 4 – Other costs

Other costs include payments for services required during the administration such as payroll related services, utilities, storage, rent and rates.

Note 5 – Tax

As mentioned in the report, Monarch Holidays has made payments to other Group companies representing consideration due relating to the surrender of tax losses by them in order to minimise the Company's corporation tax liability in respect of taxable income that arose during the administration period.

Appendix 6 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

The time charged to each of the administrations is by reference to the time properly given by us and our staff in attending to matters arising in the respective administration. This includes work undertaken in respect of tax, VAT and employees from KPMG in-house specialists.

Our policy is to delegate tasks in the administrations 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/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/>

If you are unable to access this guide and would like a copy, please write to the Joint Administrators at 15 Canada Square, Canary Wharf, London, E14 5GL or contact us by email at monarchclaims@kpmg.co.uk.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved with each of the administrations. 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 administrations, including cashiers and secretarial staff, have charged time directly to the relevant 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 administrations but is reflected in the general level of charge-out rates.

Table of charge-out rates

Charge-out rates (£) for: Restructuring	
Grade	From 01 Nov 2016 £/hr
Partner	835
Associate Partner	740
Director	740
Senior Manager	645
Manager	515
Senior Administrator	375
Administrator	285
Support	142
Work Experience	50

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administrations. 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 disbursements during the period in Monarch Travel Group and somewhere2stay, details below.

Monarch Travel Group

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
External printing	1.98		NIL		1.98
Postage	4.77		NIL		4.77
Total	6.75		NIL		6.75

somewhere2stay

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
External printing	256.08		NIL		256.08
Postage	760.53		NIL		760.53
Total	1,016.61		NIL		1,016.61

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

Narrative of work carried out for each of the Companies for the period 2 April 2020 to 1 October 2020

The key areas of work have been:

Statutory and compliance	posting information on a dedicated web page; preparing statutory receipts and payments accounts; obtaining approval from the Court of a 6-month extension of the administrations; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	formulating, monitoring and reviewing the administration strategies; regular case management and reviewing of progress, including regular team update calls; reviewing and authorising junior staff correspondence and other work; dealing with queries arising during the appointments; reviewing matters affecting the outcome of the administrations; complying with internal filing and information recording practices, including documenting strategy decisions.
Reports to debenture holders	providing written and oral updates to representatives of the secured creditors regarding the progress of the administrations and case strategies.
Cashiering	preparing and processing vouchers for the payment of post-appointment invoices; raising dividend payments in First Aviation, somewhere2stay, Monarch Travel Group and MH Aviation Transport; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	reviewing information from the Companies' records in relation to the taxation position of the Companies; analysing and considering the tax effects of realisations, tax planning for efficient use of tax assets and to maximise realisations; working on tax returns relating to the periods affected by the administrations and considering surrender of group tax losses; analysing VAT related transactions; dealing with post appointment tax compliance.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; dealing with the ongoing storage of the Companies' books and records.
Asset realisations	liaising with the CAA regarding the final travel agent debtor reconciliations; Addressing matters in connection with the anticipated dividends from inter-company debtors.
Employees (Monarch Holidays only)	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; communicating and corresponding with HM Revenue and Customs.

Creditors and claims	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 in First Aviation, somewhere2stay, Monarch Travel Group and MH Aviation Transport; agreeing unsecured claims and arranging distributions to the unsecured creditors in First Aviation, somewhere2stay, Monarch Travel Group and MH Aviation Transport; drafting our progress reports.
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Time costs

Monarch Holidays

SIP 9 –Time costs analysis (02/04/2020 to 1/10/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	17.80	5,841.00	328.15
Reconciliations (& IPS accounting reviews)	5.90	2,623.50	444.66
General			
Books and records	4.45	1,327.25	298.26
Statutory and compliance			
Budgets & Estimated outcome statements	1.50	1,072.00	714.67
Checklist & reviews	3.40	1,041.00	306.18
Extension related formalities	5.20	2,423.50	466.06
Tax			
Post appointment corporation tax	3.95	2,112.75	534.87
Post appointment VAT	28.30	12,659.50	447.33
Creditors			
Creditors and claims			
General correspondence	2.70	1,440.50	533.52
Statutory reports	13.00	6,056.00	465.85
Realisation of assets			
Asset Realisation			
Cash and investments	0.30	85.50	285.00
Debtors	3.80	1,955.00	514.47
Total in period	90.30	38,637.50	427.88

Brought forward time (appointment date to SIP 9 period start date)	3,092.32	1,401,618.50
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	90.30	38,637.50
Carry forward time (appointment date to SIP 9 period end date)	3,182.62	1,440,256.00

First Aviation

SIP 9 –Time costs analysis (02/04/2020 to 1/10/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	4.20	1,411.40	336.05
Reconciliations (& IPS accounting reviews)	1.80	766.00	425.56
Statutory and compliance			
Checklist & reviews	2.10	788.00	375.24
Extension related formalities	2.10	1,021.50	486.43
Tax			
Post appointment corporation tax	5.65	2,530.25	447.83
Post appointment VAT	1.60	600.00	375.00
Creditors			
Creditors and claims			
Agreement of unsecured claims	21.00	10,728.50	510.88
General correspondence	1.00	357.00	357.00
Payment of dividends	4.70	3079.00	655.11
Statutory reports	4.20	1,557.00	370.71
Realisation of assets			
Asset Realisation			
Other assets	0.20	129.00	645.00
Total in period	48.55	22,967.65	473.07
<hr/>			
Brought forward time (appointment date to SIP 9 period start date)	142.70	58,877.20	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	48.55	22,967.65	
Carry forward time (appointment date to SIP 9 period end date)	191.25	81,844.85	

Avro

SIP 9 –Time costs analysis (02/04/2020 to 1/10/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	5.00	1,731.40	346.28
Reconciliations (& IPS accounting reviews)	2.60	1,036.00	398.46
Statutory and compliance			
Checklist & reviews	1.60	528.00	330.00
Extension related formalities	2.30	1,087.50	472.83
Tax			
Post appointment corporation tax	3.45	1,738.25	503.84
Post appointment VAT	0.80	300.00	375.00
Creditors			
Creditors and claims			
General correspondence	1.60	456.00	285.00
Statutory reports	4.00	1,356.00	339.00
Realisation of assets			
Asset Realisation			
Debtors	0.40	206.00	515.00
Total in period	21.75	8,439.15	388.01

Brought forward time (appointment date to SIP 9 period start date)	122.70	51,081.30
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	21.75	8,439.15
Carry forward time (appointment date to SIP 9 period end date)	144.45	59,520.45

Monarch Travel Group

SIP 9 –Time costs analysis (02/04/2020 to 1/10/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	5.40	1,671.80	309.59
Reconciliations (& IPS accounting reviews)	3.00	1,176.00	392.00
Statutory and compliance			
Checklist & reviews	1.30	442.50	340.38
Extension related formalities	3.50	2,154.50	615.57

SIP 9 –Time costs analysis (02/04/2020 to 1/10/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Tax			
Post appointment corporation tax	5.15	2,295.75	445.78
Creditors			
Creditors and claims			
Agreement of unsecured claims	18.30	7,798.50	426.15
General correspondence	3.40	1,567.00	460.88
Secured creditors	2.70	2,216.50	820.93
Statutory reports	3.90	1,363.50	349.62
Realisation of assets			
Asset Realisation			
Debtors	1.60	850.00	531.25
Total in period	48.25	21,536.05	446.34

Brought forward time (appointment date to SIP 9 period start date)	128.13	51,679.25
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	48.25	21,536.05
Carry forward time (appointment date to SIP 9 period end date)	176.38	73,215.30

somewhere2stay

SIP 9 –Time costs analysis (02/04/2020 to 1/10/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	7.10	2,301.30	324.13
Reconciliations (& IPS accounting reviews)	2.10	937.50	446.43
Statutory and compliance			
Checklist & reviews	1.30	478.50	368.08
Closure and related formalities	1.10	709.50	645.00
Extension related formalities	2.40	1,179.00	491.25
Tax			
Post appointment corporation tax	3.45	1,558.25	451.67
Post appointment VAT	1.60	623.00	389.38
Creditors			
Creditors and claims			
Agreement of unsecured claims	70.50	26,052.50	369.54

SIP 9 –Time costs analysis (02/04/2020 to 1/10/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
General correspondence	3.00	891.00	297.00
Payment of dividends	0.80	477.00	596.25
Statutory reports	4.10	1,420.50	346.46
Total in period	97.45	36,628.05	375.87

Brought forward time (appointment date to SIP 9 period start date)	148.65	61,167.05
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	97.45	36,628.05
Carry forward time (appointment date to SIP 9 period end date)	246.10	97,795.10

MH Aviation Transport

SIP 9 –Time costs analysis (02/04/2020 to 1/10/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	6.20	2,062.80	332.71
Reconciliations (& IPS accounting reviews)	1.90	767.50	403.95
Statutory and compliance			
Checklist & reviews	1.70	628.50	369.71
Extension related formalities	2.40	1,179.00	491.25
Tax			
Post appointment corporation tax	3.25	1,642.25	505.31
Post appointment VAT	2.60	777.00	298.85
Creditors			
Creditors and claims			
Agreement of unsecured claims	11.00	4,899.00	445.36
General correspondence	0.80	228.00	285.00
Payment of dividends	1.00	413.00	413.00
Statutory reports	4.20	1,449.00	345.00
Total in period	35.05	14,046.05	400.74

Brought forward time (appointment date to SIP 9 period start date)	121.15	49,243.75
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	35.05	14,046.05
Carry forward time (appointment date to SIP 9 period end date)	156.20	63,289.80

Appendix 7 Glossary

ATT	Air Travel Trust
Avro	Avro Limited – in Administration
Avro Aviation	Avro Aviation Limited – in Administration
CAA	Civil Aviation Authority
the Companies	Monarch Holidays, First Aviation, Avro, Monarch Travel Group, somewhere2stay, MH Aviation Transport – all in Administration
First Aviation	First Aviation Limited – in Administration
Group	Avro Limited, First Aviation Limited, MH Aviation Transport Limited, Monarch Airlines Limited, Monarch Holdings Limited, Monarch Holidays Limited, Monarch Travel Group Limited, somewhere2stay Limited (all in Administration) and Avro Aviation Limited, Monarch 2011 Limited (formerly in Administration)
Joint Administrators/we/our/us	Jim Tucker, Blair Nimmo and Steve Absolom
KPMG	KPMG LLP
MAEL	Monarch Aircraft Engineering Limited – in Administration
MH Aviation Transport	MH Aviation Transport Limited – in Administration
Monarch Airlines	Monarch Airlines Limited – in Administration

Monarch Holidays	Monarch Holidays Limited – in Administration
Monarch Travel Group	Monarch Travel Group Limited – in Administration
PJL	Petrol Jersey Limited
PPF	Pension Protection Fund
Secured creditors	PJL and PPF
Senior secured creditors	PJL
SFA	Services and Funding Agreement
Slots	Take off and landing slots at UK airports
somewhere2stay	somewhere2stay Limited – in Administration
WJL	Windsor Jersey Limited

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 Jim Tucker, Blair Nimmo and Steve Absolom, the Joint Administrators of Monarch Holidays Limited, First Aviation Limited, Avro Limited, Monarch Travel Group Limited, somewhere2stay Limited and MH Aviation Transport Limited – all in administration (the ‘Companies’) solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of each of the administrations, 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 Companies 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.

James Robert Tucker and Stephen John Absolom are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

Blair Carnegie Nimmo is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland.

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