

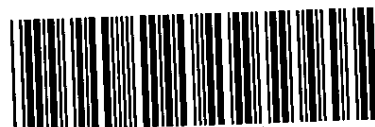
AM03

Notice of administrator's proposals



Companies House

WEDNESDAY



A6GSTMCH

A06

11/10/2017

#205

COMPANIES HOUSE

1 Company details

Company number 02940925

Company name in full Paramount Hotels Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Paul David

Surname Williams

3 Administrator's address

Building name/number The Shard

Street 32 London Bridge Street

Post town London

County/Region

Postcode SE1 9SG

Country United Kingdom

4 Administrator's name ①

Full forename(s) Benjamin John

Surname Wiles

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number The Shard

Street 32 London Bridge Street

Post town London

County/Region

Postcode SE1 9SG

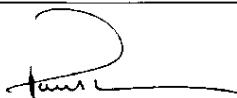
Country United Kingdom

② Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

6	Statement of proposals	
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7	Sign and date	
Administrator's Signature	<div>Signature</div> <div>✕</div> <div></div> <div>✕</div>	
Signature date	<div>d0d9m1m0y2y0y1y7</div>	

AM03

Notice of Administrator's Proposals



Presenter information

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

Contact name Rikesh Vaghela

Company name Duff & Phelps Ltd.

Address The Shard

32 London Bridge Street

Post town London

County/Region

Postcode SE1 9SG

Country United Kingdom

DX

Telephone 020 7089 4786



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 and dated 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

Report to Creditors

9 October 2017

Paramount Hotels Limited (In Administration)

Joint Administrators' Report to Creditors and Statement of Proposals
For the period from 18 August 2017 to 8 October 2017

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London
SE1 9SG

Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
Addleshaw	Addleshaw Goddard LLP, Milton Gate, 60 Chiswell St, London EC1Y 4AG (Company Number: OC318149)
the Appointment Date	18 August 2017, being the date of appointment of the Joint Administrators
BEIS	Department for Business, Energy & Industrial Strategy
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Company	Paramount Hotels Limited (In Administration) (Company Number: 02940925)
the Director	Mr Declan McKelvey
Duff & Phelps	Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG (Company Number: 05568550)
EC Regulation	EC Regulation on Insolvency Proceedings 2000
the First Administration	The appointment of the Joint Administrators of the Company on 11 September 2014 to the end of that Administration on 10 September 2015
HMRC	HM Revenue and Customs
the Joint Administrators	Paul David Williams and Benjamin John Wiles of Duff & Phelps
LSREF or the Secured Creditor	LSREF III Wight, Designated Activity Company, the holder of fixed and floating charges registered against the Company
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Reporting Period	18 August 2017 to 8 October 2017
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Security Trustee	Hudson Agency Services Limited, 17 Dominion Street, London EC2M 2EF (Company Number: 08936497)
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements

SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the acquisition of assets of insolvent companies by Directors
SOA	Statement of Affairs, documentation to be supplied by the Director outlining the Company's financial position as at the Appointment Date

Contents

1. Introduction
2. Background
3. Events leading up to the Administration
4. Purpose of the Administration
5. Statement of Affairs
6. Progress of the Administration to Date
7. Investigations
8. Liabilities and Dividends
9. Statement of Pre-Administration Costs
10. Costs & Expenses
11. Joint Administrators' Receipts & Payments Account
12. EC Regulation
13. Deemed Approval
14. End of the Administration
15. Joint Administrators' Proposals
16. Other Matters

Appendices

1. Statutory Information
2. Receipts and Payments Account
3. Schedule of Creditors
4. Analysis of Time Charged and Expenses Incurred
5. Fee Estimate
6. Fees Narrative
7. Estimated Expenses of the Administration
8. Statement of Creditors' Rights
9. Proof of Debt Form

1. Introduction

- 1.1 The Joint Administrators were appointed on 18 August 2017 by the holder of a Qualifying Floating Charge, under Paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- 1.2 The Court reference is High Court of Justice, Chancery Division, Companies Court 006181 of 2017.
- 1.3 In accordance with Paragraph 100(2) of Schedule B1 to the Act, the functions of the Joint Administrators may be exercised by any of the Joint Administrators.
- 1.4 This report is the statutory statement of proposals of the Joint Administrators. It sets out the circumstances leading up to their appointment and their strategy for achieving the purpose of the Administration.
- 1.5 These proposals will be made available to creditors via the Joint Administrators' online portal and as such are deemed to have been delivered to creditors on 9 October 2017.

2. Background

- 2.1 Statutory information on the Company and a summary of its financial history is included at Appendix 1.
- 2.2 The Company previously operated eight four-star hotels throughout England and Wales under the 'Puma Hotels' brand name. During June 2014, the hotels were rebranded as the Hotel Collection.
- 2.3 The Company was originally placed into Administration on 11 September 2014 with a sale of the business and assets of the Company being completed on the same day. The transaction included the sale of each of the eight individual hotels, previously owned by the Company, being sold separately to various purchasing entities.
- 2.4 The First Administration ended on 10 September 2015 and the Company was dissolved on 17 December 2015.
- 2.5 The hotels formerly operated by the Company are entirely unaffected by this Administration, as they have been owned by separate entities since September 2014.

3. Events Leading up to the Administration

- 3.1 As noted above, the Company was previously dissolved on 17 December 2015 following the conclusion of the First Administration.
- 3.2 Since dissolution, a further asset was located of which the Joint Administrators had not been made aware of during the First Administration. This asset was considered to be of a material quantum and that its recovery would provide a financial benefit to the creditors of the Company.
- 3.3 To allow for the pursuit of the aforementioned asset, an application was made to restore the Company to the Register of Companies on 16 May 2017.
- 3.4 Following the submission of the application, the Company was restored to the Register of Companies on 17 August 2017.
- 3.5 The Company was subsequently placed into Administration on 18 August 2017 by the Qualifying Floating Charge Holder, being LSREF.

3.6 At the Date of Appointment, the Company was not trading and held the registered office of Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG.

3.7 This Administration has the sole purpose of recovering the asset noted at paragraph 6.2 and does not affect the current trading business, hotel or employees.

4. Purpose of the Administration

4.1 The purpose of an Administration is to achieve one of the following hierarchical objectives:

- Rescuing the Company as a going concern, or
- Achieving a better result for the Company's creditors as a whole than would be likely if the company were wound up (without first being in Administration), or
- Realising property in order to make a distribution to one or more secured or preferential creditors.

4.2 In accordance with Paragraph 49(2) of Schedule B2 to the Act, the Joint Administrators note the following:

- The first objective will not be achieved as there are insufficient funds and assets available to enable the Company to be rescued as a going concern.
- The second objective will not be achieved as it is not likely that a better result will be achieved for the Company's creditors as a whole than if the Company were wound up without first being in Administration.
- In any event, the third objective will be achieved as following the realisation of the remaining asset, a distribution will be made to the Secured Creditor.

4.3 The Joint Administrators' proposals for achieving the purpose of the Administration are set out in the remainder of this report.

5. Statement of Affairs

5.1 Significant time has elapsed since the First Administration during which the Director discharged his statutory duties.

5.2 Given the nature of the Administration, under Paragraph 48(2) of Schedule B1 to the Act, the Joint Administrators have revoked the requirement that the Director is required to provide a completed Statement of Affairs.

5.3 In accordance with Rule 3.33 of the Rules, the power to revoke this requirement has been exercised at the Joint Administrators' own initiative, based on the length of time that has passed since the Director's active involvement with the Company and lack of awareness of the current financial position of the Company.

5.4 The Joint Administrators are content that a Statement of Affairs would not provide any pertinent information to the continued performance of their duties. As such, the Joint Administrators have concluded that this exercise would incur additional time costs and would not add any value for the creditors of the Company.

5.5 In the absence of the Statement of Affairs, a schedule of creditors is attached at Appendix 3. The sole asset of the Company is as disclosed at Section 6.

6. Progress of the Administration to Date

- 6.1 The manner in which the affairs and business of the Company have been managed since the appointment of Joint Administrators and will continue to be managed and financed are set out below.

Monies Held by Pinsent Masons LLP

- 6.2 The Company was restored to the register of companies to allow the Joint Administrators to pursue recovery of monies held in the client account of Pinsent Masons LLP, which holds a residual balance from the proceeds of a property disposal in June 2013. These funds had not been remitted to the Company prior to the First Administration, nor were they notified to the Joint Administrators of the First Administration. This is the only asset of the Company.
- 6.3 Subsequently in April 2016, after the Company had been dissolved, Duff & Phelps and the Secured Creditor were notified of the monies therefore took the steps noted in paragraphs 3.3 to 3.5.
- 6.4 Since the Appointment Date, the monies have been transferred to Addleshaw. The amount realised totals £332,152 and will shortly be remitted to the Administration Estate.
- 6.5 Upon receipt of the monies into the Administration Estate, there will be no further realisations from this source.

7. Investigations

- 7.1 The Joint Administrators' investigations into the Company's affairs are currently ongoing.
- 7.2 The Joint Administrators have a statutory obligation to file a report with BEIS regarding the conduct of the Directors that held office in the three years prior to the Administration. This report must be filed within three months from the Appointment Date and the content of this report is confidential.

8. Liabilities and Dividends

Secured Creditors

- 8.1 On 16 May 2014 LSREF acquired debts owed by the Company and other related companies to Irish Bank Resolution Corporation Limited (In Special Liquidation) and took an assignment of all of the rights under the associated security which confers fixed and floating charges over the assets of the Company.
- 8.2 As at 17 August 2017, the Group's indebtedness to LSREF was £51,705,828 subject to accruing interest, charges and costs.
- 8.3 It is anticipated that there will be insufficient asset realisations to repay LSREF in full.

Preferential Creditors

- 8.4 It is anticipated that there will be no preferential claims received during the Administration.

Prescribed Part

- 8.5 The Prescribed Part is calculated as a percentage of net property, as follows: -

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential unsecured creditors would be disproportionate to the benefits
Net property greater than £10,000:	50% up to £10,000 plus 20% thereafter to a maximum of £600,000.

- 8.6 LSREF's security is dated post 15 September 2003 and therefore the Prescribed Part applies.
- 8.7 The net property of the Company, according to the Joint Administrators' estimated outcome statement, is £210,000 and it is estimated that the value of the prescribed part for unsecured creditors is approximately £45,000. This is only an estimate based on current cost and recovery projections and may be subject to change during the course of the Administration.

Non-Preferential Unsecured Creditors

- 8.8 The creditor claims that were accepted and received dividend payments during the First Administration are as follows:

Creditor	Claim (£)
Trade & Expense Creditors	196
Inter-Company Creditors	333,378,230
HM Revenue & Customs	5,232,402
Total	338,610,828

- 8.9 Based upon the current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential unsecured creditors of the Company, other than from the Prescribed Part.
- 8.10 If not already done so, creditors of the Company should complete the Proof of Debt Form via the Joint Administrators' online portal.

9. Statement of Pre-Administration Costs

- 9.1 Pre-Administration costs are defined in the Rules as fees charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the company entered Administration but with a view to its doing so.
- 9.2 The time costs incurred by Duff & Phelps in relation to discussions regarding the asset recovery, the restoration of the Company and taking the necessary steps to place the Company into Administration total £5,425.

- 9.3 Prior to the Appointment date, Addleshaw incurred £49,500 in pre-appointment time costs. These fees were incurred through the provision of legal advice regarding the recovery of the asset, the application for the Company to be restored and placed into Administration.
- 9.4 Addleshaw managed the restoration process, filed the application and attended the restoration hearing on 17 August 2017. They also assisted the Secured Creditor in then placing the Company back into Administration. This work was all necessary in order to recover the asset for the benefit of creditors through the anticipated distributions noted in Section 8, which will achieve the purpose of the Administration discussed at Paragraph 4.2
- 9.5 A breakdown of the Pre-Administration time costs, as defined in rule 3.36 of the Rules, is attached at Appendix 4 and a summary provided below:

Duff & Phelps: pre-Administration fees	£5,425 plus VAT
Duff & Phelps: Disbursements	£12 plus VAT
Addleshaw: Fees	£49,500 plus VAT
Addleshaw: Disbursements	£1,750 plus VAT
TOTAL unpaid pre-Administration costs	£56,687 plus VAT

- 9.6 Both Duff & Phelps and Addleshaw were engaged by the Secured Creditor initially in April 2016 to proceed with the restoration.
- 9.7 The Joint Administrators confirm that all of the above costs are unpaid and payment of the unpaid pre-Administration costs, as an expense of the Administration, is subject to approval under rule 3.52 of the Rules, and not part of the proposals subject to approval under Paragraph 53 of Schedule B1 to the Act.
- 10. Costs & Expenses**
- Estimated Fees and Expenses**
- 10.1 It is proposed that the Joint Administrators' fee basis is based on time costs.
- 10.2 The time costs already charged since appointment are analysed at Appendix 4. Time is charged in six minute units.
- 10.3 The fees will be agreed by the Secured Creditor.
- 10.4 The amount proposed to be drawn in fees over the life of the case by the Joint Administrators is shown at Appendix 5 - Fee Estimate. The total amount indicated (£39,220) effectively acts as a cap on the level of fees to be drawn by the Joint Administrators.
- 10.5 The Joint Administrators estimate the expenses of the Administration to total about £21,494 (as shown at Appendix 7 - Estimated Expense Schedule). This Schedule illustrates the estimated expenses for the whole of the Administration and is for information purposes only. No approval is required by creditors. This Estimate may change over the course of the Administration but creditors will be informed of any variations with associated reasons in future progress reports.
- 10.6 Also attached at Appendix 6 is the Fees Narrative, which is a summary of key issues to assist creditors in understanding the strategy of the Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors, if any, are in the body of this report.

10.7 Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is at Appendix 8.

11. Joint Administrators' Receipts and Payments Account

11.1 A Receipts and Payments account is provided at Appendix 2 and is self-explanatory.

12. EC Regulation

12.1 It is the Joint Administrators' opinion that the EC Regulation applies and these proceedings are main proceedings as defined in Article 3 of the EC Regulation.

13. Deemed Approval

13.1 A creditors' decision on the approval of these proposals will not be sought as the Joint Administrators believe that the Company will have insufficient property to enable a distribution to be made to non-preferential unsecured creditors, other than from the Prescribed Part or that neither of the first two objectives described in Section 4 above can be achieved for the reasons already summarised.

13.2 The Joint Administrators' proposals will be deemed approved by the creditors unless creditors whose debts amount to at least 10% of the total debts of the Company request the Joint Administrators to seek a specific decision from the Company's creditors.

13.3 Further information is provided at Appendix 8, Statement of Creditors Rights.

14. End of the Administration

14.1 The options available to the Joint Administrators for the exit from the Administration are as follows:

- Compulsory Liquidation
- Creditors' Voluntary Liquidation
- Company Voluntary Arrangement
- Return of control to the Director(s)
- Dissolution of Company

14.2 Once all outstanding matters have been satisfactorily completed by the Joint Administrators, they will give notice to the Registrar of Companies to the effect that the Company has no remaining property to realise which might permit a (further) distribution to its unsecured creditors, at which stage the Administration will cease. The Company will be dissolved three months following the registration of the notice at the Registrar of Companies.

14.3 A further update in respect of the exit route of the Company will be provided in the Joint Administrators' next progress report.

15. Joint Administrators' Proposals

15.1 The Joint Administrators' proposals shall be deemed approved by the creditors on the expiry of the period in which a decision can be requisitioned by creditors as detailed at Appendix 8.

15.1.1 That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect.

- 15.1.2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.
- 15.1.3 That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration will cease.
- 15.1.4 That the Joint Administrators, where they consider that there are funds available to be distributed to the unsecured creditors (other than under the prescribed part) take the necessary steps to put the Company into either creditors' voluntary liquidation or into compulsory liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Paul David Williams and Benjamin John Wiles of Duff & Phelps would act as Joint Liquidators should the Company be placed into creditors' voluntary liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.
- 15.1.5 The Joint Administrators will be seeking specific agreement to the following proposals from the Secured Creditor:
- a. That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.
 - b. That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.
 - c. That the Joint Administrators' Fee Estimate in the total sum of £39,220 is approved.
 - d. That the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements").
 - e. That the unpaid pre-Administration Costs totalling £56,687 plus VAT as detailed in the Joint Administrators' statement of pre-administration costs is approved for payment as an expense of the Administration.

16. Other Matters

- 16.1 If any creditor has any information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, then they would be pleased to hear from them.

- 16.2 If you require further information or assistance, please do not hesitate to contact Rikesh Vaghela of this office.

Kind regards
For and on behalf of
Paramount Hotels Limited



Paul Williams
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Paul Williams and Benjamin Wiles, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association

Appendix 1

Statutory Information

Statutory Information

Date of Incorporation	21 June 1994
Registered Number	02940925
Court Reference in relation to Appointment:	High Court of Justice, Chancery Division, Companies Court, London, No.006181 of 2017
Company Director	Mr Declan McKelvey
Company Secretary	N/A
Shareholders	UK Hotels (Guernsey) Limited (100% Shareholder)
Trading Address	N/A
Registered Office	Current: c/o Duff & Phelps Ltd. The Shard 32 London Bridge Street London SE1 9SG Former: New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG
Any Other Trading Names	None

Financial Information

Balance Sheet

	As at 31 December 2012 (Audited) ('000's)	As at 31 December 2011 (Audited) ('000's)
Fixed Assets	£	£
Tangible Assets	77,841	77,000
	77,841	77,000
Current Assets		
Stock	255	-
Debtors	208,703	162,286
Cash / Overdraft	434	-
	209,392	162,286
Current Liabilities		
Creditors	(4,114)	(2,707)
Net Current Assets	(205,278)	(159,579)
Total Assets less Current Liabilities	(283,119)	(236,579)
Long Term Liabilities	(263,871)	(228,577)
Total Assets less Total Liabilities	19,248	8,002
Capital and Reserves		
Share Premium Account	9,315	9,315
Share Capital	99	99
Revaluation Reserve	1,741	1,741
Profit and Loss Account	8,093	(3,153)
Shareholders' Funds/(Deficit)	19,248	8,002

Appendix 2

Receipts and Payments Account

**The Joint Administrators' Receipts and Payments Account
Paramount Hotels Limited (In Administration)**

**The Reporting Period from 18
August 2017 to 8 October 2017**

	(£)
	<hr/>
Asset Realisations	Nil
	<hr/>
	Nil
Costs of Realisations	Nil
	<hr/>
	Nil
Total	<hr/>
	Nil
Represented By:	
Main Current Account	Nil
	<hr/>
	Nil
	<hr/>

Note - £332,152 held by Addleshaw Goddard to be remitted to Joint Administrators shortly.

Appendix 3

Schedule of Creditors

Paramount Hotels Limited (In Administration)
Schedule of Creditors

Creditor Name	Creditor Address					Amount (£)
Ancho Ltd	Sovereign House		Irvine		KA12 8RL	107.09
British Telecom (BT)	Bt Telephone Payment Centre		Durham	Durham	DH98 1BT	105.66
Carlton Hotel (Edinburgh) Limited	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	13,194,381.00
Combe Grove Manor Hotel & Country Club Limited	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	1,506,044.00
Environment Agency	Income Department 311		PO Box 263	Peterborough	PE2 8YD	195.93
Expedia Inc	P O Box 847675		Dallas	Texas	75284-7675	112.16
Furong Hotels Limited	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	4,630,361.00
HM Revenue & Customs	Enforcement & Insolvency Service (EIS)	Dumington Bridge House	Worthing	West Sussex	BN12 4SE	5,232,401.99
Liberate SLU	Camí Son Fangos No 100		Torre A5 Planta	Palma de Mallorca		1,129.84
LSREF III Wight Designated Activity Company	C/O Hudson Agency Services Limited	17 Dominion Street	London	EC2M 2EP		5,705,828.00
Old Ship Hotel (Brighton) Limited (Dissolved)	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	33,750,367.00
Paramount Hotels (Hinxley) Limited (Dissolved)	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	17,104,712.00
Paramount Hotels (Daventry) Limited (Dissolved)	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	6,422,284.00
Paramount Hotels (Basingstoke) Limited (Dissolved)	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	1,260,590.00
Paramount Hotels Services Limited (Dissolved)	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	1,122,876.00
Paramount Hotels Investments Limited (Dissolved)	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	35,011,425.00
Paramount Hotels Holdings Limited (Dissolved)	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	171,217,534.00
Peaf Expenditure	Staff Claim Forms		Leicester		LE10 9AY	3,600.00
Strling Highland Hotel Limited	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	16,191,322.00
Scottish Highland Hotels Limited	c/o Duff & Phelps Ltd	The Shard	32 London Bridge Street	London	SE1 9SG	21,966,334.00
Solutions for Leisure Ltd	Geldale House	54 Street Farm Lane	Isworth	Suffolk	IP31 2JE	222.00
Sky Business	P O Box 1805		Livingston	West Lothian	EH54 7XG	2,836.80
South Wales Maintenance	2 Weekes Close		Llanrumney		CF3 5RY	488.00
TourismMarketing Service	Zur Schwedenschanze 2	Stalsund	18435			12.73
The Lewis Grp	Rowan Ho		70 Buchanan St	Glasgow	G1 3JF	47.54
United Utilities	Po Box 457			Warringer	WA55 9WA	7,954.02
						Total (£)
						390,333,282.76

Note: The above creditors do not hold security other than LSREF III Wight Designated Activity Company which holds the security noted at paragraph 8.1 of the Proposals

Appendix 4

Analysis of Time Charged and Expenses Incurred

Paramount Hotels Limited (In Administration)**Analysis of the Joint Administrators' pre-Administration time costs**

Classification of Work Function	Managing Director	Manager	Hours			Total Hours	Time Cost (£)	Avg Hourly Rate (£)
			Senior	Assistant	Support			
Administration & Planning								
Financial Review	0.00	0.60	0.00	0.00	0.00	0.60	288.00	480.00
IPS Set Up & Maintenance	0.00	0.00	0.00	0.65	0.00	0.65	152.75	235.00
Strategy Planning & Control	0.00	7.40	0.00	6.40	0.00	13.80	4,936.00	357.68
Creditors								
Communications with Creditors / Employees	0.00	0.10	0.00	0.00	0.00	0.10	48.00	480.00
Total Hours:	0.00	8.10	0.00	7.05	0.00	15.15		358.07
Total Fees Claimed (£):	0.00	3,753.00	0.00	1,671.75	0.00		5,424.75	

Category 1 Disbursements:

Category of Disbursement	(£)
Courier	11.75
Total	11.75

Category 2 Disbursements:

The Joint Administrators have incurred no Category 2 Disbursements

Paramount Hotels Limited (In Administration)**Analysis of the Joint Administrators' time costs for the Reporting Period**

Classification of Work Function	Managing Director	Manager	Hours			Total Hours	Time Cost (£)	Avg Hourly Rate (£)
			Senior	Assistant	Support			
Administration & Planning								
Case Review and Case Diary Management	0.00	3.40	0.00	8.35	0.00	11.75	3,032.75	258.11
Cashiering and Accounting	0.00	0.00	0.10	1.00	0.00	1.10	245.50	223.18
Dealings with Directors and Management	0.00	0.20	0.00	0.75	0.00	0.95	236.75	249.21
IPS Set Up & Maintenance	0.00	0.00	0.00	2.20	0.00	2.20	264.00	120.00
Insurance	0.00	0.20	0.00	0.00	0.00	0.20	96.00	480.00
Statement of Affairs	0.00	0.30	0.00	0.00	0.00	0.30	144.00	480.00
Statutory Matters (Meetings, Reports and Notices)	0.00	2.00	0.00	11.30	0.00	13.30	3,077.25	231.37
Strategy, Planning and Control	0.00	5.00	0.00	2.00	0.00	7.00	2,930.00	418.57
Tax Compliance / Planning	0.00	0.10	0.00	0.60	0.00	0.70	134.50	192.14
Creditors								
Communications with Creditors / Employees	0.00	1.60	0.00	5.85	0.00	7.45	1,825.25	245.00
Non-Preferential Creditor Claims Adjudication and Distribution	0.00	0.00	0.00	0.60	0.00	0.60	72.00	120.00
Non-Preferential Creditors / Employee Claims Handling	0.00	0.00	0.00	0.90	0.00	0.90	137.00	152.22
Total Hours:	0.00	12.80	0.10	33.55	0.00	46.45		262.54
Total Fees Claimed (£):	0.00	6,144.00	32.00	6,019.00	0.00		12,195.00	

Category 1 Disbursements:

The Joint Administrators have incurred no Category 1 Disbursements

Category 2 Disbursements:

The Joint Administrators have incurred no Category 2 Disbursements

Appendix 5

Fee Estimate

Paramount Hotels Limited (In Administration)
Analysis of the Joint Administrators' Fee Estimate

Classification of Work Function	Managing Director	Manager	Hours			Total Hours	Time Cost (£)	Avg Hourly Rate (£)
			Senior	Assistant	Support			
Administration & Planning								
Case Review and Case Diary Management	1.00	5.00	0.00	12.00	0.00	18.00	5,820.00	323.33
Cashiering & Accounting	0.00	1.00	0.00	2.00	0.00	3.00	950.00	316.67
Dealings with Directors and Management	0.00	1.00	0.00	2.00	0.00	3.00	950.00	316.67
Insurance	0.00	1.00	0.00	0.00	0.00	1.00	480.00	480.00
IPS Set Up & Maintenance	0.00	0.00	0.00	5.00	0.00	5.00	1,175.00	235.00
Statement of Affairs	0.00	1.00	0.00	1.00	0.00	2.00	715.00	357.50
Statutory Matters (Meetings, Reports and Notices)	0.00	9.00	0.00	23.00	0.00	32.00	9,725.00	303.91
Strategy Planning & Control	0.00	10.00	0.00	6.00	0.00	16.00	6,210.00	388.13
Tax Compliance / Planning	0.00	2.00	0.00	3.00	0.00	5.00	1,665.00	333.00
Creditors								
Communications with Creditors / Employees	0.00	2.00	0.00	6.00	0.00	8.00	2,370.00	296.25
Non-Preferential Creditor Claims Adjudication and Distribution	0.00	2.00	0.00	5.00	0.00	7.00	2,135.00	305.00
Non-Preferential Creditors / Employee Claims Handling	0.00	1.00	0.00	3.00	0.00	4.00	1,185.00	296.25
Secured Creditors	0.00	3.00	0.00	2.00	0.00	5.00	1,910.00	382.00
Investigations								
CDDA, Reports & Communication	1.00	2.00	0.00	3.00	0.00	6.00	2,265.00	377.50
Realisation of assets								
Other Intangible Assets	0.00	2.00	0.00	3.00	0.00	5.00	1,665.00	333.00
Total Hours	2.00	42.00	0.00	76.00	0.00	120.00		326.83
Total Estimated Fees	1,200.00	20,160.00	0.00	17,860.00	0.00		39,220.00	

Appendix 6

Fees Narrative

Paramount Hotels Limited (In Administration)

Fee Estimate for the whole period of the Administration

Paul David Willaims and Benjamin John Wiles were appointed Joint Administrators of the Company on 18 August 2017.

Introduction

The following information is provided to creditors to enable them to consider and approve the Joint Administrators' remuneration. It is a summary of key issues, to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors.

This document should be read in conjunction with the Joint Administrators' Report to Creditors and Statement of Proposals ("the Proposals") which provides further details of the assets, liabilities and estimated return to creditors, if any. Particular reference is made to the Appendices entitled 'Analysis of Time Charged and Expenses Incurred', 'Fee Estimate' and 'Estimated Expenses of the Administration'.

Estimated Fees and Expenses

The Joint Administrators propose that their fees will be based on Duff & Phelps' time costs properly incurred.

The amount of time costs expected to be incurred by the Joint Administrators over the life of the case is shown at Appendix 5 Fee Estimate. This estimate effectively acts as a cap on the fees that can be drawn (subject to the Joint Administrators' ability to seek an increase in the approved amount if appropriate).

The Joint Administrators estimate the expenses of the Administration to total about £21,494 (as shown at Appendix 7 - Estimated Expenses of the Administration). This Appendix illustrates the estimated expenses for the whole of the Administration and is for information purposes only and is not subject to approval by any class of creditor. This estimate may change over the course of the Administration, but creditors will be informed of any variations with associated reasons in subsequent progress reports. As detailed in paragraph 15.1.5 of the Proposals, the Secured Creditor has been asked to approve the fee basis (time costs) and the Fee Estimate at Appendix 5 - in the total sum of £39,220.

The amount expected to be incurred in time costs by the Joint Administrators over the life of the Administration, assuming it is closed by the automatic end date on 17 August 2018, is detailed at Appendix 5 - Fee Estimate. However, this does not include the further time costs of any subsequent Liquidation of the Company. The Company will only be placed into Liquidation if there are funds available to distribute to creditors other than by virtue of the Prescribed Part, which is not anticipated in this case.

Estimated Return to Creditors

Please see Section 8 of the Proposals.

Strategy

Administration and Planning

The role of a Joint Administrator is highly regulated, being required to conform to insolvency legislation, industry best practice policies (Statements of Insolvency Practice) and relevant case law. Consequently, the Joint Administrators are obliged to undertake many activities that do not provide a direct financial benefit to creditors.

In addition, throughout the course of the Administration, the Joint Administrators will regularly review the strategy and complete case reviews at week one, after three months, and every six months thereafter.

These activities do not necessarily provide a direct financial benefit to creditors, however these are necessary to ensure that the Administration runs efficiently.

The Joint Administrators time costs to 6 October 2017 in respect of Administration and Planning total £10,161 and have comprised the following tasks:

- Complying with anti-money laundering checks, bribery act and ethical checks.
- Advertising the Administration appointment and notifying all relevant stakeholders.
- Setting up the Administration on our internal systems and on the creditors' portal website.
- Companies House and Court filings.
- Calculating and obtaining the insolvency practitioners bond.
- Undertaking treasury functions in respect of receipts and payments of the Administration to date.
- Internal strategic discussions and meetings and completing a 1 week case review.
- Drafting of the Proposals Report in accordance with the Rules.

Total time costs estimated to be incurred for Administration & Planning, total £27,690, including the costs incurred to date. Future time costs are estimated to include the following future tasks:

- Performing periodic and strategic case reviews at the intervals discussed above.
- Filing notices with Companies House at relevant intervals.
- Preparing progress reports to all creditors of the Company every 6 months.
- Preparing a final report to all creditors of the Company.
- Internal strategic discussions and meetings.

Creditors

The Joint Administrators and case staff will liaise with the Secured Creditor regarding the progress of the Administration and the quantum and timing of any distributions. Further, there will also be continued communications with the non-preferential unsecured creditors. The Joint Administrators will adjudicate on all submitted claims to agree or reject the claims (in part or in full), should it be considered that there are sufficient asset realisations to enable a dividend to non-preferential unsecured creditors.

To date the Joint Administrators have dealt with creditor queries and lodging creditors' claims that had previously been submitted and accepted during the First Administration. The Joint Administrators have incurred time costs of £2,034 to date in dealing with creditors to date.

Going forward, the Joint Administrators will continue dealing with creditors as above, as and when queries and claims are presented. Total time costs in respect of creditors are estimated to be £7,600, and is expected to comprise the following future tasks:

- Dealing with creditor correspondence, emails and telephone conversations regarding claims in the Administration.
- Maintaining up to date creditor information and claims status on the case management system.
- Maintaining the creditors' Portal website.
- Adjudicating and agreeing creditor claims, prior to the payment of any dividend.
- Distributing dividends to creditors.

Investigations

It is a statutory requirement that the Joint Administrators provide a report to the Secretary of State on the conduct of the Directors in their management of the Company to determine their fitness to act in such a role. This entails a broad level of investigation to ensure that best practice standards are met. This duty was fully complied with during the First Administration. Since the Joint Administrators' exit from office in September 2015, the Company was dissolved and has been inactive since that date. Following the restoration of the Company, statute requires that a new report be submitted to the Secretary of State. However, as all investigations have already been conducted and concluded, the Joint Administrators anticipate that minimal time will be incurred in this regard, unless additional information comes to light that requires further investigations.

As such, the Joint Administrators have not incurred any time costs to date in dealing with Investigations. The Joint Administrators estimate total time costs of £2,265 in dealing with the investigations. This process will include the following future task:

- Statutory reporting requirements to the Secretary of State in respect of directors' conduct and any resulting correspondence with the Department of Business, Energy and Industrial Strategy.

Asset Realisations

As discussed within the Proposals, the Company has only one known asset to be realised. This asset has already been recovered by Addleshaw and will be remitted to the Company in due course.

The Joint Liquidators have not yet incurred any time in relation to the recovery of this asset, with all direct recovery work being undertaken by Addleshaw to date.

The Joint Administrators estimate total time costs of £1,665 in dealing with asset realisations, including the time already incurred in this regard. This is estimated to include the following future key tasks such as:

- Arranging for the remittance of the monies being held by Addleshaw to the Administration Estate.

Appendix 7

Estimated Expenses of the Administration

Paramount Hotels Limited
Joint Administrators' Estimated Expenses for the Administration

Notes	Company	Type of Expense	Activity	Date of Instruction	Fee Basis / % of Realisations	Amount Paid (exc. VAT)	Amount Incurred (exc. VAT)	Anticipated Total Cost (exc. VAT)
						£	£	£
1	Professional Advisors Addleshaw Goddard LLP	Statutory Compliance	Solicitors - General	Jun-16	Time costs plus disbursements	-	7,000.00	20,000.00
2	Other Total Data Management Limited	Statutory Compliance	Storage of the Joint Administrators' records	18-Aug-17	Per Unit	-	-	100.00
3	TBC	Tax Compliance	Advice on VAT and Corporation Tax matters	N/A	TBC	-	-	1,000.00
Total Professional Advisor and Other Costs						0.00	7,000.00	21,100.00
Disbursements								
4	Category 1 Disbursements							
5	Courts Advertising Limited	Statutory Compliance	Statutory Advertising	08-Sep-17	As incurred	N/A	84.60	189.20
6	Willis Insurance	Statutory Compliance	Bond Premium			N/A	225.00	225.00
Total Category 1 Disbursements						0.00	309.60	394.20
7	Category 2 Disbursements							
Total Category 2 Disbursements						0.00	0.00	0.00
Total Estimated Expenses						0.00	7,309.60	21,494.20

Notes to Estimated Expenses Schedule

- The Joint Administrators' choice of professional advisors will be based on their perception of the experience and ability of the respective firms / individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.
- Books and records of the Company will be stored off site with an external provider for at least the duration of the Administration plus one year. In addition, it is a statutory requirement that books and records of the Administrators must be kept for six years after the conclusion of the Administration.
- Tax agents will be instructed if required to prepare and file the Company's post appointment tax returns and answer other ad hoc queries.
- Category 1 Disbursements are payments to independent third parties where there is specific expenditure directly referable to the Administration.
- Statutory advertising of the Joint Administrators' appointment in the London Gazette is required under insolvency legislation.
- It is a statutory requirement for Insolvency Practitioners to have a Bond on each case to which they are appointed. The cost is based on the value of the assets.
- Category 2 Disbursements are costs that are directly referable to the Administration but not to a payment to an independent third party.

The total anticipated expenses is an estimate based on information available at the commencement of the appointment. The estimate should therefore be treated with caution as matters are likely to change over the life of the Administration.

Appendix 8

Statement of Creditors' Rights

STATEMENT OF CREDITORS' RIGHTS

Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)

Section or paragraph numbers refer to Insolvency Act 1986

If you require a copy of any relevant rule or section, please contact Rikesh Vaghela on 020 7089 4786. This notice is accompanied by the Joint Administrators' Statement of Proposals

Information for creditors on remuneration and disbursements of the Joint Administrators

Information regarding the fees and disbursements of the Joint Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at <http://www.duffandphelps.com/uk-restructuring/creditor-guides> (click on the document 'Administration (appointment from 1 October 2015)'). Should you require a copy, please contact this office.

Creditors may requisition a decision to be made by all of the creditors for approval of the Joint Administrator' Proposals under para 52(2) Schedule B1 Insolvency Act 1986

The Joint Administrators shall seek a decision from the Company's creditors as to whether they approve the Proposals if requested by creditors of the Company, whose debts amount to at least 10% of the total debts of the Company. Such a request must be received by the Joint Administrators within 8 business days of the date on which the Joint Administrator's statement of proposals is delivered.

The request for a requisitioned decision must include a statement of the purpose of the proposed decision and either—

(a) a statement of the requesting creditor's claim together with—

- a list of the creditors or contributories concurring with the request and of the amounts of their respective claims or values, and
- confirmation of concurrence from each creditor; or

(b) a statement of the requesting creditor's debt and that that alone is sufficient without the concurrence of other creditors

Creditor/s may be requested to meet the costs of a requisitioned decision and a deposit will be required for this purpose. These costs may be ordered to be paid as an expense of the Administration if the creditors so resolve.

A requisitioned decision must be made within 28 days of receiving the deposit or the expiry of 14 days without the Administrator informing the requesting creditor of the deposit sum.

Appendix 9

Proof of Debt Form

Proof of Debt – General Form

Paramount Hotels Limited (In Administration)		
Date of Administration: 18 August 2017		
1.	Name of creditor (If a company please also give company registration number).	
2.	For correspondence: Address of creditor	
	Contact telephone number of creditor	
	Email address of creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into Administration.	
4.	Details of any documents by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the Administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting).	
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount.	£
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).	
7.	Particulars of any security held, the value of the security, and the date it was given.	
8.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
9.	Signature of creditor or person authorised to act on his behalf _____	
	Name in BLOCK LETTERS _____	
	Position with or in relation to creditor _____	
	Address of person signing (if different from 2 above) _____	
For Administrators' Use only		
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Administrator		Administrator