

The Insolvency Act 1986

Statement of administrators' proposals

Name of Company
Pontin's Bingo Limited

Company number
03127498

In the High Court of Justice, Chancery Division, Companies Court <small>[full name of court]</small>

Court case number
10298 of 2010

We David James Costley-Wood
KPMG LLP
St James' Square
Manchester
M2 6DS

Jane Bronwen Moriarty
8 Salisbury Square
London
EC4Y 8BB

Robert Andrew Croxen
8 Salisbury Square
London
EC4Y 8BB

attach a copy of our proposals in respect of the Administration of the above Company

A copy of these proposals was sent to all known creditors on

14 February 2011

Signed


Joint Administrator

Dated

14 February 2011

Contact Details

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

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When you have completed and signed this form please send it to the Registrar of Companies at -
Companies House, Crown Way Cardiff CF14 3UZ. DX 33050 Cardiff

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COMPANIES HOUSE



**Pontin's Bingo Limited (in
Administration)**

**Report to creditors pursuant
to paragraph 49 of Schedule
B1 of the Insolvency Act
1986**

KPMG LLP

11 February 2011

This report contains 7 pages

Appendices contain 7 pages

Dcw/vjm/la/



Notice: About this Proposal

This Proposal has been prepared by David Costley-Wood, Robert Andrew Croxen and Jane Moriarty the Joint Administrators of Pontin's Bingo Limited, solely to comply with their statutory duty under paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the administration order, 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 Proposal 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 Pontin's Bingo Limited. Any estimated outcomes for creditors included in this Proposal 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 Proposal for any purpose or in any context other than under paragraph 49, Schedule B1 of the Insolvency Act 1986 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 Proposal.

David Costley-Wood is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales. Robert Andrew Croxen is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales. Jane Bronwen Moriarty is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in Ireland.

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



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- 3) Statement of Affairs



1 Glossary

Joint Administrators	Jane Bronwen Moriarty and Robert Andrew Croxen of KPMG LLP, 8 Salisbury Square, London, EC4Y 8BB and David Costley-Wood of KPMG LLP, St James Square, Manchester, M2 6DS
Administration	The Administration order granted by the High Court of Justice, Chancery Division, Companies Court in respect of Pontin's Bino Limited dated 22 December 2010 Court case number 10,298 of 2010
Company / Bingo	Pontin's Bingo Limited (in Administration)
Pontin's	Pontin's Limited (in Administration)
Golf 1	Golf 1 Limited (in Administration)
GC	Gambling Commission
Bank	Bank of Scotland plc
Solicitors	SNR Denton LLP
the Parks	Southport, Prestatyn, Pakefield, Brean Sands and Camber Sands
SIP	Statement of Insolvency Practice
Act	Insolvency Act 1986
EC Regulations	European Council Regulations (EC) No 1346/2000
KPMG GSS	KPMG Global Sustainability Services
TUPE	Transfer of Undertakings (Protection of Employment) regulations

2 Introduction

David Costley-Wood Robert Croxen and Jane Moriarty of KPMG LLP were appointed as Joint Administrators of the Company on 22 December 2010 pursuant to paragraph 22 of Schedule B1 to the Act

In accordance with Paragraph 100(2) of Schedule B1 to the Act, the functions of the Joint Administrators are being exercised by either or all of the Administrators



In accordance with Paragraph 49 of Schedule B1 to the Act, the Joint Administrators now set out their proposals for achieving the purpose of the Administration and for the conduct of the Administration

The proposals also include certain information required to be provided to creditors in accordance with Rule 2.33 of the Insolvency Rules 1986 (as amended)

The appropriate statutory information is set out in Appendix 1

3 Background

The Company was incorporated on 17 November 1995 and held the bingo operating licence together the bingo premises licenses for all of the Pontin's Parks, however in practice, the cash proceeds, prizes and gambling duty were managed by Pontin's. The income was recorded in the books of the Company and a management charge levied by Pontin's

For the year ending 26 December 2008 the Company reported a profit of £248,000 with turnover of £403,000. For the 53 week period ending 1 January 2010 the draft accounts show a profit of £257,000 with turnover of £418,000

4 Events leading to the Joint Administrators' appointment

Bingo operations were primarily carried out by Pontin's with the cash relating to these operations being held in a Pontin's bank account. On 12 November 2010 Joint Administrators were appointed over Pontin's and its bank accounts frozen. As a result of this Administration appointment the Company became unable to pay its debts as they fell due.

David Costley-Wood, Robert Croxson and Jane Moriarty were subsequently appointed Joint Administrators by the High Court of Justice Companies Court on 22 December 2010.

5 Purpose, initial strategy and progress of the Administration

5.1 Purpose of the Administration

Schedule B1 of the Insolvency Act 1986 states that the Administrator of a company must perform his functions with the objective of

- 1 rescuing the company as a going concern, or
- 2 achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up, or



- 3 realising property in order to make a distribution to one or more secured or preferential creditors

The first objective of rescuing the Company as a going concern is not likely to be achieved as no party has expressed an interest in acquiring the share capital of the Company in the form of a solvent sale

The Joint Administrators consider that the second purpose, achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up, is the most relevant and achievable

5.2 Initial Strategy

The initial strategy was to continue normal bingo operations with the objective being to include them as part of the sale of the overall Pontin's business. This was to be done by allowing the purchaser to operate using the Company's bingo licences in return for a fee. The main concern upon appointment of the Joint Administrators was therefore the protection of the bingo operating licence and the bingo premises licences.

Under the Gambling Commission guidelines the Administration does not cause the operating licence to lapse but it is deemed to be a 'key event' and must immediately be notified to the GC. The Joint Administrators appointed the licensing solicitors used prior to the Administration to assist in discussions and negotiations with the GC.

To protect the premises licences the local authorities at each of the Parks were informed of the appointment immediately and the pre-appointment licensing solicitors assisted with these notifications.

5.3 Progress of the Administration

5.3.1 Trading

The discussions with the GC and the local authorities have enabled the Company to maintain the licences since the Joint Administrators' appointment.

In the period 22 December 2010 to 9 February 2011 total bingo revenue was £15,844 and after deducting the management fee charged by Pontin's this resulted in the Company making a trading loss of £1,716. It has been agreed that the licence can be used by Pontin's with no payment to the Company.

5.3.2 Licences

As stated above it was initially anticipated that the bingo operations would be included as part of a sale of the overall business of Pontin's. However, this could not be achieved due to the following reasons:

- 1 the bingo operating licence is non transferrable, and
- 2 legal advice was sought on the ability to allow the purchaser to operate using the Company's bingo licences in return for a fee, which stated that the Joint



Administrators would be liable for any criminal sanctions arising from the purchasers' bingo trading operations

Due to the above it is deemed that the licences have no value and no realisations are anticipated in relation to them

The Joint Administrators have agreed to hold the operating licence and the bingo premises licences for a two month period after the sale of the Pontin's business, within which the latter will be transferred at the expense of the purchaser if a replacement operating licence has been acquired within that time frame. In return the purchaser has agreed not to undertake any bingo operations until their own operating licence is in place

At the earlier of the expiry of the period or the transfer of the premises licenses, the operating licence will be surrendered by the Joint Administrators to the GC

5.3.3 Cash at bank

At the date of appointment the Company had cash in its bank account totalling £12,525

The Joint Administrators have contacted the Bank in order to freeze the account and to request that these funds are paid to the Administrators bank account. The funds have not yet been received

6 Receipts and payments account for the period 22 December 2010 to 9 February 2011

There have been no receipts or payments during the period

7 Costs of realisation

Since 22 December 2010 the Joint Administrators have been engaged in the following activities

- calculating gaming duty payable,
- liaising with the Gambling Commission and local authorities,
- reviewing the potential for the purchaser of the Pontin's business to trade under the Company's licence,
- dealing with creditor claims and queries, and,
- statutory issues associated with the Administration

The Joint Administrators propose to fix the basis of their remuneration with reference to time properly spent in this matter. In the absence of both a secured creditor and



preferential creditors the Joint Administrators intend to seek the approval of the unsecured creditors in relation to their time costs

The Joint Administrators time costs to 9 February 2011 are £8,529. No expenses have been incurred to 9 February 2011. An analysis of the Joint Administrators' costs in accordance with the provisions of Statement of Standard Insolvency Practice 9 is attached at Appendix 2.

A creditors' guide to fees can be found at [http://www.r3.org.uk/uploads/sip/SIP9_v5_April_2007\(1\).pdf](http://www.r3.org.uk/uploads/sip/SIP9_v5_April_2007(1).pdf), however if you are unable to access this guide and would like a copy please contact Lee Abbott at the above address.

The Joint Administrators have instructed KPMG LLP, Pension, Tax and VAT specialists to carry out assessments of the Company's position. The charge out rates shown in Appendix 2 shall apply to these departments.

8 Other matters

The EC Regulation on Insolvency Proceedings 2000 will apply in this matter and these proceedings will be the main proceedings as defined in Article 3 of the EC Regulation. The Company's registered office and centre of main interests are in the United Kingdom.

As there are no secured creditors the prescribed part will not apply.

9 Statement of Affairs

The Directors of the Company were requested to prepare a Statement of Affairs. Both Directors have complied with this request and provided a Statement of Affairs each, with both copies stating the same estimated outcome for creditors.

A copy is attached at Appendix 4.

9.1 Secured creditor

The Joint Administrators instructed its Solicitors to conduct a review on both the validity of the appointment of the Joint Administrators and of the security over the Company. The review confirmed that the appointment is valid and that there is no security registered against the Company's assets.

9.2 Preferential creditors

At the date of the Joint Administrators appointment there were no employees and therefore there will be no preferential claims.

9.3 Unsecured creditors

It is anticipated that there will be insufficient funds available to enable a distribution to the unsecured creditors.



10 Creditors' meeting

The Joint Administrators consider that the Company has insufficient property to enable a distribution to the unsecured creditors. Consequently the Joint Administrators do not propose to hold an initial creditors' meeting in accordance with Paragraph 52 (1) (b) of Schedule B1 to the Act.

The Joint Administrators are, however, required to summon an initial creditors' meeting if it is requested

- by creditors of the Company whose debts amount to at least 10% of the total debts of the Company,
- in the prescribed manner (detailed below), and
- in the prescribed period (detailed below)

If the Joint Administrators are not requested to call a meeting within 12 days of the date of this report, the proposals will be deemed to have been accepted (excluding proposals relating to the Joint Administrators' remuneration)

A request for an initial meeting of creditors must be made in writing to the Joint Administrators and include

- a list of the creditors concurring with the request, showing the amounts of their respective debts in the Administration,
- from each creditor concurring, written confirmation of his / her concurrence, and
- a statement of the purpose of the proposed meeting

If no creditors' meeting is held, the Joint Administrators' proposals will be deemed approved under rule 2.33(5) of the Insolvency Rules 1986

11 Joint Administrators' proposals

The Joint Administrators propose the following

- to continue to do all such things reasonably expedient and generally exercise all their powers as contained in Schedule 1 to the Act as Joint Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company,
- to seek an extension to the Administration period if deemed necessary by the Joint Administrators pursuant to paragraph 76 of schedule B1 to the Act
- when it is considered that no further distributions to creditors will be made and that the Joint Administrators have concluded their duties, to take the necessary steps to move the Company from Administration to Dissolution, pursuant to paragraph 84 of Schedule B1 to the Act,



Pontin's Bingo Limited (in Administration)
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KPMG

11 February 2011

- that the Administrators are discharged from liability in respect of any action of theirs as Administrators pursuant to paragraph 98(1) of Schedule B1 to the Act upon registration of the notice given pursuant to paragraph 84 of Schedule B1 to the Act, and,

In relation to Joint Administrators' fees

- that in the event that no creditors' committee is formed, or if no determination of the creditors' committee is reached, the Joint Administrators will seek approval from the unsecured creditors. The Joint Administrators will be authorised to draw fees on account from the assets of Pontin's Bingo Limited from time to time during the period of Administration based on time properly spent at charge out rates that reflect the complexity of the assignment. Also, the Joint Administrators will seek approval to draw disbursements from time to time, and
- that the costs of KPMG LLP, Pension, Tax and VAT advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of Pontin's Bingo Limited

If any creditor wishes to discuss this report they should contact Lee Abbott at the above address

Yours faithfully

David Costley-Wood
Joint Administrator



Appendix 1

Statutory information

Date of incorporation	17 November 1995
Company registration number	01327498
Company name	Pontin's Bingo Limited
Current registered office	c/o KPMG LLP, St James Square, Manchester, M2 6DS
Previous registered office	Ainsdale House c/o Pontins (Southport) Holiday Centre, Shore Road, Ainsdale, Lancashire, PR8 2PZ
Issued share capital	8,502 Ordinary £1 shares
Shareholder	Clarke Osborne
Directors	George Albert Edwards Clarke Osborne
Company secretary	George Edwards
Employees at the date of appointment	None



Pontin's Bingo Limited (in Administration)
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KPMG
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Appendix 2

Joint Administrators' time costs from 22 December 2010 to 9 February 2011

Pontin's Bingo Limited (in Administration)

Reporting period

22 December 2010 to 09 February 2011

SIP 9 Compliant fees worksheet

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Administration & planning							
General							
Fees and WIP				1.50	1.50	£16.00	£119.00
Statutory and compliance							
Appointments and related formalities	2.00	3.50	11.20		16.70	£4,905.50	£293.74
Bonding and bordereaux			0.20	0.80	1.00	£136.00	£136.00
Checklist & reviews		2.00			2.00	£55.00	£425.00
Strategy documents	1.00				1.00	£33.00	£33.00
Tax							
Annual reviews CT and VAT			0.00		0.50	£120.00	£240.00
Post-appointment corporation tax		0.20	0.00		0.20	£1,260.00	£6,300.00
Post-appointment VAT		0.50			0.50	£21.50	£425.00
Creditors							
Employees							
Pensions reviews			1.40		1.40	£336.00	£240.00
Total in period					20.80	£8,529.00	£408.21
Pre-appointment time					2.00	£80.00	£425.00
	Fees drawn			Hours Costs to date			
B.f		0.00		0.00	£0.00	£0.00	
In the period		0.00		0.00	£8,529.00	£408.21	
C.f		<u>0.00</u>		<u>0.00</u>	<u>£8,529.00</u>	<u>£408.21</u>	

Notes

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

Chargeable rates from 1 October 2010

Grade	Rate per hour
Partner	535
Associate Partner	460
Director	460
Senior Manager	425
Manager	345
Assistant Manager	240
Assistant	175
Support	110
Work experience	40



Appendix 3

Statement of Affairs

Rule 2.29

Form 2.14B

Statement of affairs

Name of Company Pontin's Bingo Limited (the Company)	Company number 03127498
In the High Court of Justice Chancery Division Companies Court	Court case number 10295 of 2010

Statement as to the affairs of Pontin's Limited

On 22 December 2010 the date that the Company entered administration

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the Company as at 22 December 2010 the date that the Company entered Administration

Full name

Signed

Dated

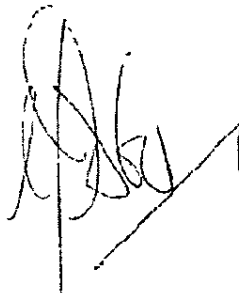
CLARENCE ANTON OSBORNE
12/2/11



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KPMG
11 February 2011

A - Summary of Assets

	Book Value £	Estimated Realisable Value £
Assets Specifically Pledged		
None		
Assets Not Specifically Pledged		
Inter-company debtor (Pontin's Limited)	779,451	0
Cash at bank	12,525	12,525
Estimated total assets available for preferential creditors	782,006	12,525

 24/2/11



A1 - Summary of Liabilities

	£	£
Estimated total assets available for preferential creditors (carried from page A)		12,525
Preferential Creditors		
Employees' wage arrears & holiday pay		
Estimated (deficiency)/surplus as regards preferential creditors		12,525
Estimated prescribed part of net property to carry fwd (Note 1)		0
Estimated total assets available for floating charge holders		12,525
Floating chargeholders		0
Estimated surplus/(deficiency) as regards floating chargeholders (c/d)		12,525
Estimated amount available to unsecured creditors (note 1)		12,525
Non-preferential creditors		
Trade & expense creditors	(27,542)	
HM Customs & Excise Bingo Duty	(18,464)	
HM Customs & Excise Corporation Tax	(73,208)	
		(119,214)
Estimated (deficiency)/surplus as regards creditors		(106,720)
Issued and called up capital		
Ordinary £1 shares		(5,502)
Estimated (deficiency)/surplus as regards members		(115,222)

Pontin's Bingo Limited (in Administration)
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KPMG

11 February 2011

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security
PricewaterhouseCoopers LLP	101 Bartholomew Square, Lower Mosley Street, Manchester M2 3PW	27,342.00	None	None	None
HM Revenue and Customs - Corp Tax	Large & Complex CRN Business, HMRC Local Compliance C1 Ops Ty Glas, Llanishen, Cardiff CF14 5FP	73,208.47	None	None	None
HM Revenue and Customs - Bingo Duty	Cumbernauld Accounting Team St Mungo's Road Cumbernauld Glasgow G70 5WY	18,494.32	None	None	None

Signature

Date

