

The Insolvency Act 1986

Statement of administrator's proposals**2.17B**

Name of Company Mercury Inns Group Limited	Company number 04362325
In the The Royal Courts of Justice, Chancery Division, Companies Court [full name of court]	Court case number 21120 of 2009

(a) Insert name(s) and address(es) of administrator(s)

(a) Antony David Nygate of BDO LLP of 55 Baker Street, London, W1U 7EU and Tracey Lee Pye of BDO LLP 3 Hardman Street, Spinningfields, Manchester M3 3AT.

*Delete as applicable

attach a copy of ~~*my~~ / our proposals in respect of the administration of the above company.

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

(b) Insert date

(b)
15 January 2010

Signed

Dated

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 searchers of the public record

BDO LLP, 55 Baker Street, London,	
W1U 7EU.	
Our Ref	0/JMS/ADM751 Form to Registrar/C15
	Tel 020 7486 5888
DX Number	DX Exchange

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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23/01/2010

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COMPANIES HOUSE

SATURDAY

MERCURY INNS GROUP LIMITED

Registered No. 04362325 In The Royal Courts of Justice, 21120 of 2009

MERCURY INNS

Registered No. 04361891 In The Royal Courts of Justice, 21119 of 2009

GW 1016 LIMITED

Registered No. 05034544 In the High Court of Justice, 21117 of 2009

ALL IN ADMINISTRATION (together "the Companies")

The registered offices are situated at c/o BDO LLP, 55 Baker Street, London, W1U 7EU

1 Introduction

- 1.1 This report is addressed to the creditors of Mercury Inns Group Limited, Mercury Inns and GW 1016 Limited (together "the Companies") and incorporates the Joint Administrators' proposals. As the operations of the Companies are closely related, the Joint Administrators have prepared a consolidated report.
- 1.2 This report is addressed to the creditors of the Companies and incorporates the Joint Administrators' proposals. In accordance with Paragraph 52 (1)(b) of Schedule B1 of the Insolvency Act 1986, the Joint Administrators do not propose to call meetings of creditors to consider the proposals because there will be insufficient assets to enable us to make any distribution to unsecured creditors.
- 1.3 However, under Paragraph 52 of Schedule B1 of the Insolvency Act 1986 if at least 10% of unsecured creditors in value require us to call meetings they must notify us using form 2.21B (attached) by 25 January 2010. Please note that before such meetings can be held we will require a deposit towards the cost of convening the meetings. Such deposit may be repaid if subject to approval of the other creditors.
- 1.4 The Joint Administrators will arrange for the Companies to exit from the Administrations in due course in a manner as detailed in our proposals. Based on the information presently available and the current situation, the Joint Administrators' intention is that the Companies will move to dissolution once the conduct of the Administrations has been completed.

2 Events leading up to the Appointment of the Joint Administrators

- 2.1 In 1998, Kevin Thornton and Mark Butler completed a management buyout of Mercury Management, a consultancy company from Mercury Taverns. Mercury Management was an existing management business with no assets.
- 2.2 In 2002, Kevin Thornton and Mark Butler raised approximately £12 million through bank, brewery and venture capital funding to acquire 16 units, comprising 12 freehold and 4 leasehold units.

- 2.3 As a result, Mercury Inns Group Limited was incorporated on 29 January 2002 as the holding company for Mercury Inns, GW 1016 Limited and Mercury Management (UK) Limited (together "the Group").
- 2.4 Trading was performed through the subsidiary companies Mercury Inns and GW 1016 Limited, with 7 trading units across the Midlands and North West regions. Mercury Inns was incorporated on 28 January 2002. GW 1016 Limited was incorporated on 4 February 2004, following the acquisition of a further freehold property, The Villa.
- 2.5 During April 2006 the Group was refinanced with bank debt replacing the venture capital funding and as a consequence, returning the Group into the directors' control. At this time the Group held 5 freehold units and traded 2 tied leaseholds, with the reduction in units since 2002 primarily due to 12 disposals during September 2002. The disposed units were not aligned to the Group's chosen business model.
- 2.6 The last filed audited consolidated accounts for Mercury Inns Group Limited for the year ending 29 February 2008 show turnover of £5,857,715 and a loss of £390,456. This compares with annual turnover of £5,887,789 for 2007 (giving rise to a profit of £1,297,096) and £3,445,751 for 2006 (giving rise to a loss of £119,075). The Group's draft consolidated accounts for the year ending 28 February 2009 (unaudited) shows turnover of £4,293,348, although this gave rise to a loss of £681,904.
- 2.7 The Group has been impacted by the recent challenging trading environment within the pub and restaurant industry, which has seen a general decline in discretionary customer spending as a result of factors including the introduction of the smoking ban and the overall economic downturn.
- 2.8 In addition, the Group experienced cash flow pressure as a result of 2 underperforming leasehold units, The Old Green Man and Harry's Bar, which adversely impacted cash flow and trading performance.
- 2.9 The Old Green Man was a tied lease, with trading performance adversely affected by a new town centre development in Milton Keynes, resulting in trading losses of approximately £161,000 between March 2008 and June 2009. The lease, including fixture and fittings, was surrendered back to the landlord in July 2009. The Group received no consideration for the lease and incurred a £30,000 loss in finalising the surrender.
- 2.10 The lease in relation to Harry's Bar, which had been sublet in 2003, was returned to Mercury Inns in June 2007 following the insolvency of the lessee. This meant that the annual rental and rates liability of £78,000 was returned to Mercury Inns.
- 2.11 In addition, the Group's management anticipated that the subsidiary Mercury Management (UK) Limited (providing pub management and turnaround services) would have a busy 2009. However, the anticipated performance target and thus the

- contribution to the Group did not materialise, despite a significant marketing campaign.
- 2.12 The poor trading performance led the Group and its bankers, Barclays Bank plc, in May 2008 to engage, BDO LLP (formerly BDO Stoy Hayward LLP) to perform an independent business review, to include a high level review of the Groups' management account information, financial position, future trading projections and cash flow.
- 2.13 Following this review, Barclays agreed to extend the Group's overdraft facility to £830k.
- 2.14 Following a further deterioration in trading conditions in the pub sector, the Group failed to reach budgeted financial performance with losses of £681k and £247k for FY09 and the first five months of FY10 respectively. Performance was adversely impacted at all trading units.
- 2.15 Management requested a further overdraft extension of £390k to clear the build-up of historic creditors, which included approximately £342k to HM Revenue & Customs ("HMR&C"), which the Group was under increasing pressure to repay in accordance with a previously agreed repayment plan. BDO LLP (formerly BDO Stoy Hayward LLP) was further engaged on 10 September 2009 by the Group and Barclays to perform a further independent business review.
- 2.16 BDO LLP was engaged on 30 October 2009 to perform a further independent solvency review in respect of the Group.
- 2.17 It was clear from the reviews that the Group was insolvent and the Bank was unwilling to advance funds to meet further losses. As such, the directors concluded that in its current form, the Group was unable to continue trading as a going concern.
- 2.18 On 20 November 2009, the directors of the Companies invited Barclays to appoint Administrators over the Companies.
- 2.19 On 23 November 2009 an application for appointment of Joint Administrators was made by Barclays Bank Plc being a Qualified Floating Charge Holder, pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986. On 23 November 2009, Antony David Nygate and Tracey Lee Pye were appointed Joint Administrators of Mercury Inns Group Limited, Mercury Inns and GW 1016 Limited. Under the provisions of paragraph 100(2) of schedule B1 of the Insolvency Act 1986, the Administrators carry out their functions jointly and severally and neither Administrator has exclusive power to exercise any function.
- 2.20 The application for the appointment of Joint Administrators did not include Mercury Management (UK) Limited. As such, this company is not presently subject to an insolvency procedure, although we understand that the directors are taking independent legal and insolvency advice.

- 2.21 At Appendix 1 is a record of the names of the Companies' respective directors and company secretary together with details of their shareholdings.

3 Statement of Affairs and statutory information

- 3.1 We attach at Appendix 2 to this report a summary of the estimated Statement of Affairs for each company at the date of our appointment, prepared by the directors. The summary Statements of Affairs have been prepared from the company records and information available. The Joint Administrators have reviewed each Statement of Affairs but have not carried out any audit or detailed verification work at this time.

4 Prescribed Part

- 4.1 Under the provisions of Section 176A of the Insolvency Act 1986 the Joint Administrators must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where the company has granted a floating charge to a creditor after 15 September 2003.
- 4.2 Unfortunately, based on present information, it is anticipated that each company's net property will be less than the prescribed minimum (currently £10,000), below which point the cost of distributing the prescribed part would be disproportionate to the benefits. Therefore under section 176A(3) of the Insolvency Act 1986 the prescribed part provisions will not apply in this Administration.
- 4.3 It should be noted that the value of the available net property will be subject to change and dependent upon the final level of floating charge realisations in respect of the Companies.

5 Achieving the purpose of the administration

- 5.1 The statutory purpose of an administration consists of three objectives, and we now address the progress that has been made in this respect.
- (a) The first objective is the rescuing the Companies as a going concern (i.e restructuring the Companies' business, resulting in the survival of the Companies). We would comment that due to the financial position of the Companies at the date of our appointment, there was no prospect of being able to secure a going concern sale, either in respect of any one company or the Companies.
 - (b) The second objective is achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in administration). We do not consider that this objective can be achieved.
 - (c) The final objective is realising property in order to make a distribution to one or more secured or preferential creditors. We can advise that this objective will apply in this case, through the surrender of the Companies' leaseholds and the anticipated sale of the Companies' freehold interests,

which will allow for a distribution to be made to the Companies' secured creditor in due course.

6 Management of the Companies' affairs since the Joint Administrators' appointment

6.1 Initial Actions

6.1.1 Upon our appointment as Joint Administrators we undertook an immediate review of the Companies' affairs with particular regard to its financial and resource requirements. This assessment was carried out in liaison with the remaining management team of the Companies having regard to ongoing business commitments and the anticipated cash flows.

6.1.2 At the date of Administration, the Companies employed 239 staff, the majority of which were part-time, across 7 trading units. The Joint Administrators retained 126 staff on appointment to facilitate the ongoing trading of the freehold sites. The leasehold sites were closed on appointment, resulting in 110 redundancies of staff employed by Mercury Inns. In addition, Kevin Thornton, Mark Butler and Andrew Chapman, directors of the Companies and the only employees of Mercury Inns Group Limited, were also made redundant on appointment.

6.2 Trading during the Administration – Freehold Properties

6.2.1 As previously, the Joint Administrators have engaged Mercury Liquid Limited to manage the ongoing trading of the 4 freehold sites, through Mercury Inns and GW 1016 Limited as summarised below. Please note that the registered name of Mercury Liquid Limited was subsequently changed on 22 December 2009 to Quicksilver Management Limited ("QML") and that QML is owned and run by Kevin Thornton and Mark Butler, also current directors of the Companies.

6.2.2 The Joint Administrators retained 126 staff on appointment to facilitate the ongoing trading of the freehold sites. The retained staff total 86 and 40 in relation to Mercury Inns and GW 1016 Limited respectively.

Trading Site	Trading Address	Trading Entity	Freehold Owner
Samuel Pepys	Slipton Lane, Slipton, Nr Kettering NN14 3AR	Mercury Inns	Mercury Inns Group Limited
Red Lion	81 Ramsbottom Road, Hawkshaw, Bury BL8 4JS	Mercury Inns	Mercury Inns
Walton Arms	Burnley Road, Altham, Accrington BB5 5UL	Mercury Inns	Mercury Inns

The Villa	Mill Lane, Wrea Green, Preston PR4 2WP	GW 1016 Limited	GW 1016 Limited
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6.3 Freehold Properties

- 6.3.1 The Joint Administrators have engaged Fleurets to market the freehold properties on a going concern basis and various enquiries have been received from interested parties. On the advice of Fleurets, an extended period of marketing the properties will commence in January 2010, after the Christmas peak trading period.
- 6.3.2 It is anticipated that the trading period for the freehold units will be between 4 to 5 months, although this will be contingent on the freehold sale process.
- 6.3.3 Philip Davies & Sons were instructed by the Joint Administrators to value the fixtures and fittings together with other chattel assets held on site. Any consideration will be realised on disposal of the freehold property.
- 6.3.4 An inventory of stock held on the premises was performed by Inn Stock Limited immediately on appointment. However, the majority of stock is subject to Retention of Title claims from the Companies' suppliers, which are being reviewed by the Joint Administrators. However, it appears that the majority of the claims are valid and as such, any residual consideration in this regard will also be realised on disposal of the freehold properties.

6.4 Leasehold Properties

- 6.4.1 The 3 leasehold units detailed on the next page were immediately closed upon our appointment, as trading forecasts indicated that these units would be loss making. Advice received from Fleurets indicated that the property leases had no value.
- 6.4.2 Following the closure of the units, we approached the landlords to discuss the surrender of the leases. I am pleased to advise that the leases have been surrendered and a total of £99,431.24 has been realised in respect of these units, comprising £27,851.24 from rent deposit refunds, £57,080.00 in respect of fixtures and fittings and £14,500.00 from stock on site. By company, the net realisations are allocated to:

Mercury Inns (Park and The Worlds End) - £81,647.08

Mercury Inns Group Limited (Olde Coach House) - £17,784.16

- 6.4.3 Please note that to date, payments on account totalling £6,000.00 have been received by Mercury Inns in respect of the stock on site.

6.4.4 The units were handed back to the respective landlords.

Trading Site	Trading Address	Former Trading Entity	Prior Leaseholder
Park	98 Kimbolton Road, Bedford, Bedfordshire MK40 2PA	Mercury Inns	Mercury Inns
The Worlds End	Ecton, Northamptonshire, NN6 0QN	Mercury Inns	Mercury Inns
Olde Coach House	Main Street, Ashby St.Ledgers, Rugby, Warwickshire CV23 8UN;	Mercury Inns	Mercury Inns Group Limited

6.4.5 It should be noted that QML has since entered into new lease agreements with the respective landlords to recommence trading from these units and as such, the units have now been re-opened by QML. However, please note that this trading is independent of the administration appointments and as such, businesses supplying goods or services to these units are contracting directly with QML and not Mercury Inns (as the relevant trading entity prior to the Joint Administrators' appointment).

6.5 Book debts

6.5.1 Debtor realisations to date total £24,412.31. These receipts relate to PDQ sales receipts for the trading pre-appointment period, which were initially held in suspense by Barclaycard Payment Acceptance. By company, the net realisations total £16,953.61 and £7,458.70 to Mercury Inns and GW 1016 Limited respectively.

6.5.2 We understand that there is c£5k of debtors due to GW 1016 Limited in respect of corporate debtors, primarily from The Villa in respect of accommodation. We are, of course, pursuing these debts but, to date, no funds have been received.

6.6 Creditors' Claims

6.6.1 Secured Creditor

At the date of the Administration, the amount outstanding to Barclays as the Companies' secured creditor totalled £6,386,355.75. This sum is before interest charges that continue to accrue on the debt. Barclays holds a debenture against the Companies dated 7 April 2006, together with individual charges over the 4 freehold properties. Barclays holds further charges dated 8 June 2007 and 14 May 2008 over Mercury Inns and Mercury Inns Group Limited respectively.

The validity of this security has been confirmed by our solicitors, DLA Piper UK LLP.

Scottish and Newcastle UK Limited holds secondary security dated 6 November 2007 over the Companies, although this security ranks behind that held by

Barclays. This security comprises of a debenture and legal charges against each individual company. However, it is anticipated that there will be a shortfall due to Barclays in respect of their security and as such, there will be no distribution to Scottish and Newcastle UK Limited.

6.6.2 Preferential Creditors

The directors' Statement of Affairs estimates that the preferential creditor claims against Mercury Inns Group Limited and Mercury Inns in relation to arrears of wages and unpaid holiday will total approximately £34,672 and £49,360 respectively.

The directors' Statement of Affairs estimates that there will be no preferential creditor claims against GW 1016 Limited. At present, all employees have been retained by the Joint Administrators for the trading period, although in the event that trading ceases and gives rise to redundancies (i.e. in the absence of a sale of the business as a going concern), it is anticipated that a preferential creditor claim in respect of unpaid holiday pay may arise.

6.6.3 Unsecured Creditors

The creditors' claims notified to us to date for the Companies are summarised below.

Entity	Claim Total (£)
Mercury Inns Group Limited	£85,854.75
Mercury Inns	£ 519,798.78
GW 1016 Limited	£99,858.14

6.6.4 The unsecured creditor claim against Mercury Inns Group Limited is from HMR&C in relation to PAYE and NIC arrears. Unsecured claims in respect of trade creditors will be against the trading entities, namely Mercury Inns and GW 1016 Limited.

6.6.5 On present information, there will be no payment to unsecured creditors of the Companies.

7 Receipts and Payments

7.1 A summary of the receipts and payments for the Companies for the period from 23 November 2009 to 1 January 2010 are attached at Appendix 3 for your information.

7.2 Please note that the enclosed receipts and payments accounts for Mercury Inns and GW 1016 Limited include only limited trading figures in respect of the post appointment trading at the 4 freehold sites. The relevant trading figures shown comprise PDQ receipts in respect of credit and debit card sales and relevant supplier payments.

- 7.3 To date, the net trading receipts and the Administration period staff payroll costs for the freehold sites have been credited to and debited from the respective pre-appointment Barclays bank accounts and are therefore not shown. A full reconciliation of the receipts and payments is currently being performed and will be included within the Joint Administrators' subsequent progress report to creditors.
- 7.4 The payments on account totalling £6,000 in respect of the stock on site have been received by Mercury Inns. The remaining proceeds of £8,500 will be paid to Mercury Inns shortly.

8 EC Regulations on Insolvency Proceedings

We are required under the Insolvency Rules 1986 to state whether and if so the extent to which the above regulations apply to these administrations. In these cases, the EC Regulation will apply to these administrations and these proceedings will be the main proceedings as defined in Article 3 of the EC Regulation.

9 Joint Administrators' Remuneration

- 9.1 Kindly note that under the terms of the Insolvency Rules 1986 the Joint Administrators are obliged to fix their remuneration in accordance with Rule 2.106(2) of the Insolvency Rules 1986. This permits remuneration to be fixed either as a percentage of the value of the property with which the Joint Administrators have to deal or alternatively by reference to the time the Joint Administrators and their staff have spent attending to matters in the administrations. In respect of these administrations we wish to ask creditors to approve our remuneration on a time costs basis.
- 9.2 The Joint Administrators will be seeking the subsequent approval of the secured creditor in respect of our remuneration, pursuant to Rule 2.106(5A) of the Insolvency Rules 1986. Attached at Appendix 4 are schedules that summarise the time that has been spent in administering these administrations up to the date of this report. This shows a total of 328.05 hours, allocated between the Companies as follows:

Entity	Hours	Total Cost	Average Rate
Mercury Inns Group Limited	52.71	£15,921.45	£302.06
Mercury Inns	220.62	£65,084.20	£295.01
GW 1016 Limited	54.72	£14,134.45	£258.31

- 9.3 For your guidance we attach a Creditors Guide to Administrators Fees together with a document that outlines the policy of BDO LLP in respect of fees and disbursements.

10 Possible outcomes for the Companies and Creditors

The Insolvency Act 1986 and Insolvency Rules 1986 provide a variety of options regarding the possible exit routes for the company from the Administration, being primarily a Company Voluntary Arrangement, Liquidation or dissolution of each company. It is the Joint Administrators' recommendation and proposal, as detailed below, that once all assets have been realised and distributed in the administrations, that the Joint Administrators arrange for each company to be dissolved.

11 Statement of proposals under Paragraph 49 of Schedule B1 of the Insolvency Act 1986

In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986 the Joint Administrators make the following proposals for achieving the purpose of each Administration. In the absence of a creditors' meeting these proposals will be deemed to be accepted on 1 February 2010.

Formal Proposals - the Joint Administrators propose for each company that:

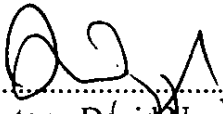
- (a) they continue to realise assets in accordance with objective 3 of the statutory purpose of each administration;
- (b) where possible, they make payments to the Companies' secured and preferential creditors;
- (c) they exit each administration by way of dissolution and
- (d) the remuneration of the Joint Administrators is approved on the basis of the time properly spent attending to matters arising in each administration; and

[NB. This will be subject to approval by the secured and preferential creditors.]

A further resolution is put to the creditors.

- (e) That the Joint Administrators be discharged from liability under each Administration per Paragraph 98 of Schedule B1 of the Insolvency Act 1986, 28 days after the Joint Administrators' filing their final report and sending it to creditors.

Dated: 15 January 2010


.....
Antony David Nygate
Joint Administrator

Mercury Inns Group Limited, Mercury Inns and GW 1016 Limited
Statutory Information

**Mercury Inns Group Limited
In Administration**

Statutory Information

Company Number: 04362325

Date of Incorporation: 29/01/2002

Address of Registered Office: 55 Baker Street, London, W1U 7EU

Directors: Mark Leslie Butler
Andrew Brian Chapman
Kevin Thornton

Company Secretary: HBJGW Secretarial Support Limited
Kevin Thornton

Nominal Share Capital: 141,672 Ordinary shares of £1.00 each
41,980 Ordinary-A shares of £0.01 each
166,155 Ordinary-B shares of £0.10 each
10,000 Preference share of £1.00 each

Registered Shareholders: Mark Leslie Butler – 56,669 Ordinary shares, 16,792 Ordinary-A shares, 66,462 Ordinary-B shares, 4000 Preference shares;

Andrew Brian Chapman – 28,334 Ordinary shares, 8,396 Ordinary-A shares, 33,231 Ordinary-B shares, 2000 Preference shares;

Kevin Thornton – 56,669 Ordinary shares, 16,792 Ordinary-A shares, 66,462 Ordinary-B shares, 400 Preference shares.

Trading Results:

Y/E	Turnover £	Gross Profit £	Net Profit (after tax) £	Directors' remuneration £	Balance on P & L A/c £
29 February 2008	£5,857,715	£4,089,482	(£390,456)	£276,789	(£1,398,236)
28 February 2007	£5,887,789	£4,077,025	£1,297,096	£282,715	(£1,007,780)
28 February 2006	£3,445,751	£2,392,218	(£119,075)	£190,540	(£2,304,876)

**Mercury Inns
In Administration**

Statutory Information

Company Number: 04361891

Date of Incorporation: 28/01/2002

Address of Registered Office: 55 Baker Street, London, W1U 7EU

Directors: Mark Leslie Butler
Andrew Brian Chapman
Kevin Thornton

Company Secretary: HBJGW Secretarial Support Limited
Kevin Thornton

Nominal Share Capital: 1000 Ordinary shares of £1.00 each
275 Ordinary shares of £0.01 each

Registered Shareholders: Mercury Inns Group Limited – 1000 Ordinary shares
GW1016 Limited – 275 Ordinary shares

Trading Results:

Y/E	Turnover	Gross Profit	Net Profit (after tax)	Directors' remuneration	Balance on P & L A/c
	£	£	£	£	£
29 February 2008	n/a *	£2,957,314	(£461,066)	£202,374	(£703,894)
28 February 2007	n/a *	£2,808,881	(£308,436)	£209,136	(£242,828)
28 February 2006	n/a *	£1,911,301	£271,026	£156,790	£65,608

* Abbreviated accounts filed

**GW 1016 Limited
In Administration**

Statutory Information

Company Number: 05034544

Date of Incorporation: 04/02/2004

Address of Registered Office: 55 Baker Street, London, W1U 7EU

Directors: HBJGW Secretarial Support Limited
Kevin Thornton

Company Secretary: Mark Leslie Butler
Kevin Thornton

Nominal Share Capital: 10,000 Ordinary shares of £0.01 each

Registered Shareholders: Mercury Inns Group Limited

Trading Results:

Y/E	Turnover	Gross Profit	Net Profit (after tax)	Directors' remuneration	Balance on P & L A/c
	£	£	£	£	£
29 February 2008	n/a *	n/a *	£1,309,719	n/a *	£1,260,954
28 February 2007	n/a *	n/a *	(£25,510)	n/a *	(£48,765)
28 February 2006	n/a *	n/a *	(£23,207)	n/a *	(£23,255)

* Abbreviated accounts filed

Mercury Inns Group Limited, Mercury Inns and GW 1016 Limited
Statements of Affairs

Statement of affairs

Name of Company Mercury Inns Group Limited	Company number 04362325
In the The Royal Courts of Justice <small>[full name of court]</small>	Court case number 21120/2009

(a) Insert name and address of registered office of the company

Statement of affairs of (a) Mercury Inns Group Limited whose registered office is situated at 111 Edmund Street, Birmingham, West Midlands, B3 2HJ.

(b) Insert date

On the (b) 23 November 2009, 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 above named company as at (b) 23 November 2009 the date that the company entered administration.

Full name K. TUGERMAN M. BUTLER
Signed [Signature]
Dated 5/12/09

MERCURY INS CORP LTD

Assets subject to fixed charge:

SAMUEL DEER

Uncharged assets:

Estimated total assets available for preferential creditors

[illegible]

Signature

Date _____

5/12/09

A1 - Summary of Liabilities

MERCHEN INNS GROUP LIMITED

	Estimate to realise £
Estimated total assets available for preferential Creditors (carried from page A)	£
Liabilities	
Preferential creditors:-	(34,672)
Estimated deficiency/surplus as regards preferential creditors	£
Estimated prescribed part of net property where applicable (to carry forward)	£
Estimated total assets available for floating charge holders	£
Debts secured by floating charges	(5827,25)
Estimated deficiency/surplus of assets after floating charges	£
Estimated prescribed part of net property where applicable (brought down)	£
Total assets available to unsecured creditors	£
Unsecured non-preferential claims	(41,835)
Estimated deficiency after floating charge where applicable (brought down)	
Estimated deficiency/surplus as regards creditors	(£ 5913,702)
Issued and called up capital	£
Estimated total deficiency/surplus as regards members	£

Signature



Date

8/12/09

Wiederholung

[illegible]

Date 8/2/09

Statement of affairs

Name of Company Mercury Inns	Company number 04361891
In the Royal Courts of Justice <small>[full name of court]</small>	Court case number 21119/2009

(a) Insert name and address of registered office of the company

Statement of affairs of (a) Mercury Inns whose registered office is situated at 20-24 The Whitehouse, Old Halford Street, Tamworth, Staffordshire B79 7QS.

(b) Insert date

On the (b) 23 November 2009, 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 above named company as at (b) 23 November 2009 the date that the company entered administration.

Full name W. Tinsley

M. Butler

Signed 

Dated 8/12/09

A1 – Summary of Liabilities

NEARLY INNS

	Estimate to realise £
Estimated total assets available for preferential Creditors (carried from page A)	£ 110,000
Liabilities	
Preferential creditors:-	(49,360)
Estimated deficiency/surplus as regards preferential creditors	£ 60,640
Estimated prescribed part of net property where applicable (to carry forward)	£
Estimated total assets available for floating charge holders	£
Debts secured by floating charges	(2,787,205)
Estimated deficiency/surplus of assets after floating charges	£ (2,726,565)
Estimated prescribed part of net property where applicable (brought down)	£
Total assets available to unsecured creditors	£
Unsecured non-preferential claims	(746,321)
Estimated deficiency after floating charge where applicable (brought down)	
Estimated deficiency/surplus as regards creditors	(£ 4,472,906)
Issued and called up capital	£
Estimated total deficiency/surplus as regards members	£

Signature



Date

5/12/09

07060624 INNS

Assets subject to fixed charge:

Signature

Date _____

8/209

COMPANY CREDITORS

22/06/09 NNS

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 £
3603	BLACK MOSS LANE, SCARISBRICK, OMSKIRK, LANCs. LL40 9RW	37941.69			
A.B. FRUITS LTD	2A ROSE AVENUE, BEDFORD MK41 7TE	494.45			
LISTER CHARLES CONSULTING	42A HIGH STREET, EGHAM Surrey, TW20 9DP	5304.35			
A DAY RECYCLING GROUP	3 CAROUSEL WAY, RIVERSIDE BUSINESS PARK, NORTHAMPTON, NN3 9HG.	597.14			
AIRTH ELECTRICAL	362 OAKWOOD LANE LEEDS, LS8 3UF	220.00			
A-J COMMUNICATIONS	116 WOOLLEY STREET, CLOURBORNE NR. WARRINGTON, WA3 3AF	287.50			
AUTO AMUSEMENTS LTD	31A COX'S LANE, CRADLEY HEATH WAPLEY, WEST MIDLANDS, B64 5NS	452.14			
BACCHAMCARO MERCHANT SERVICES	DEPT CSD, NORTHAMPTON NN4 7SQ.	2393.19			
BEVERAGE EXPRESS	UNIT 5 NORTH OAK BUSINESS PARK, STANLAND ROAD, WEST VAE. HALLAM HX4 8LR	73.81			
BOC CASES	PO BOX 12, PRIESTLEY ROAD, WOOLLEY MANCHESTER M28 2UT	422.31			
BOOKING.COM LIMITED	COMAROS HOUSE, 80 NEW MARKET ROAD, CAMBRIDGE, CB5 3DZ.	338.80			
BOOKING SERVICES INTERNATIONAL	COMMISSIONS DEPT. BSI HOUSE BLACKBROOK PARK AVE. TRANTON SOMERSET, TA1 2PF	30.60			

Signature

Date

6/12/09

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 £
CALOR GAS LTD	ATHENA DRIVE, TITCHBROOK PARK-WARWICK, CV34 6RL	50.89			
CASTLE PLUMS	MILLENNIUM HOUSE, BOUNDARY BANK UNDERBARROW ROAD, KENDAL, LUMBERA 522	804.83			
CASTLE FIRE LTD	CIVIL MILL, BEEHIVE LANE NEW HUTTON, KENDAL LA8 0AJ	324.51			
CATERSWADE LTD	UNIT 1, PUTTONS WAY, SETT ENOCH, SHADSWORTH BUSINESS PARK BLADSBURN B81 2ER	336.35 44.65			
CHARLES WELLS LTD	HAVERLOCK STREET, BEDFORD MK40 4LW	29,238.16 21,113.92			
CHALKIES	7 CHARMBOUR RISE, STOPSLEY LUTON, BEDS, LU2 7XR	166.00			
CHEF RESULTS LTD	CLARE BUSINESS CENTRE, PENISTONE ROAD, SHEFFIELD, S6 3AE	86.25			
CHELSEA DIRECT	P.O. BOX 295, BECKHAMSTER, HP4 1UJ	644.48			
CELEBRATION HOUSE LTD	28 HAVILAND ROAD, REANDOWN IND. EST WIMBORNE, DORSET, BH21 7AQ	348.80			
CHORLEY COUNCIL	TOWN HALL, MARKET STREET, CHORLEY, PR7 1QP	295.00			
CHURCHILL VINTNERS	401 WALSLEY ROAD, PEEPEY ASHAR, BIRMINGHAM, B42 1BT	58632.24			
CHURCH ELECTRONICS	SHADSWORTH ROAD, BLADSBURN, LANCAIRE, BB1 2PR	789.42			

Signature

Date 8/12/09

COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
CLIFFORDS	WILKIN, IRELAND				
CLIFFORDS	67-68 BONTING ROAD, NORTHAMPTON, NN2 6EE	717.72			
VEOLIA ES LTD	LINDON ROAD, BROWN HILLS WALSALL, WSS 7BB	1991.74			
CLEARCRAFT LTD	UNITS 10-11 KINGSTON FARM DOWNHALL ROAD, MATCHING, CM17 0EB	271.98			
CMA RESCUE SERVICES	P.O. BOX 600, NEWPORT AGENEL BUCKS MK16 8YR	1210.00			
CORIUM LEATHER CO LTD	25-31 DURBAN ROAD, KETTERING NORTHANTS NN16 0JA	622.45			
COLECLINTMENT LIMITED	3RD FLOOR, 4-11 ARTILLERY LANE LONDON, E1 7LS	1196.00			
COUNTY POWER LTD	UNIT 4 GRANGE ROAD 1ND EST GROUNTING, KETTERING, NORTHAMPTON NN14 7AL	132.25			
CREATIVE WORKSHOP	3 UNION STREET, GEDDING MK40 2SF	833.75			
CRONER	CRONER HOUSE, WHEATFIELD WAY HINKLEY, LEICESTERSHIRE LE10 1YQ	643.37			
CRYSTALTECH SERVICES LTD	UNIT 14 REAR BRIDGE ENTERPRISE THOMPSON CLOSE, LUDLOW, ESSEX IG1 1TY	79.35			
D.A. HANDYMAN SERVICES	S. EDDIEHILL DRIVE DAVENTRY NN11 0GR	2158.00			

Signature 

Date 8/12/09

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COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
DAVIES BREWING Co LTD	GRAINSORE, BROMLEY, STATION APPROACH OAKHAM, LE15 6RE	911.73			
DAVE SHUAVILLE	THE COOF YARD, HIGH STREET EMALS BATTEN, NORTHAMPTON NN6 0X	309.81			
DEE COOPER PROMOTIONS	CULLOCH SCHOOLHOUSE, CULLOCH, BLAIRNGRAN, COMRIE, B4 CRESC, PH16 2JG	115.00			
DESIGN FARM	10 COLLEGE STREET, WELLINGBOROUGH NORTHAMPTONSHIRE, NN8 3HF	135.00			
DYNO-ROD	2ND FLOOR, 145-155 ELELL ROAD SURREY, SURREY KT6 6AW	570.40			
EARTH	P.O. Box 10484				
CHECK LTD	HARLES, CM20 9QMY	142.03			
EAST NORTHAMPTONSHIRE O.C.	P.O. Box 58, THRAPSTON Kettering, NORTHANTS NN14 4QX	820.00	License fees		
BOALES HALL BREWING COMPANY	ST. ALBANS ROAD, COMMON ROAD INDEBT STAFFORD, ST16 3DZ	324.30			
ECTON PARISH MAGAZINE	RECTORY FARM HOUSE, HIGH STREET ECTON, NORTHAMPTON, NN6 0Q3	100.00			
EDWARDS SYMMON'S	GROUND FLOOR, CLOISTER HOUSE RIVERIDGE, NEW BAILEY ST. MANCHESTER M13 9AD	900.96			
ELWOOD & SONS LTD	NORTH BRINK, BROMLEY, WISBECH CAMBRIDGESHIRE, PE13 1LN	1412.37			
ENTERPRISE INNS PLC	3 MONKSPATH HALL ROAD, SOUTHILL WEST MIDLANDS, B70 4DJ	340.00			

Signature

Date 6/12/09

COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
FLORAS	RAYNS WAY, WATERMEAD BUSINESS PARK, SYSTON, LEICESTER LE7 1PF	919.01			
CATELEY WAIRING	ONE ELEAN. GERMUND STREET BIRMINGHAM. B3 2HT	4192.46			
GENERAL CATERING DISTANCE	UNIT 8, BRIDGE MILL IND. EST MILL LANE, WREDA GREEN, BIRMINGHAM B37 14	377.14			
CILES INSURANCE BROKERS	23 WOLVERTHAMPTON STREET, DUDLEY BIRMINGHAM DY1 10B	3004.86			
CRANT THORNTON	ENTERPRISE HOUSE, 115 GERMUND ST. BIRMINGHAM B3 2HT	19152.50			
GREEN SIMMONDS LTD	THE ENGINE SHED, TOP STATION RD, BRADLEY, NORTHAMPTON NN13 7UG	7165.15			
GREENS	MILL LANE, TURVEY, BEOFFORD MK43 8ES	33.00			
GREENS D.K. DESIGN	THOMAS HENRY HOUSE, 1ST FLOOR 1-5 CHURCH ST. RIPLEY, DERBY DE5 3BW	488.75			
H2S OPERATIONS LTD	BOLTON, FISHERMAN'S WHARF NINE STREET BOLTON BL3 6BN	3672.16			
HEART OF ENGLAND	31-34 WHOLESALE MARKET PRECINCT PERSHORE ST, BILHAM. BS 60B	21286.66			
HYNDORRN B.C.	TOWN HALL, ACCRINGTON BL5 1UA (LICEANCE)	295.00			
HUNTER TEA & Coffee LTD	RAY TREE COTTAGE, WHITE LADIES ASTON, WORCESTER WR7 40M	657.26			

Signature _____

Date 6/11/09

COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
IQBOX LTD	77 CLAYDON BUSINESS PARK IPSWICH IP 6 0NL	93.44			
INN STOCK LTD	LAVENDER COTTAGE, MELTON'S LANE HARROGHE DERBY DE56 0ST	1073.01			
INOX EQUIP LTD	UNIT 16 BALLMOOR, BUCKINGHAM IND. EST BUCKINGHAM MK18 1RT	852.02			
INVESTEC ASSET FINANCE PLC	WILKINSH COURT, BLACKLANDS WAY AIBINGTON, OXFORDSHIRE OX14 1JY	352.78 129.12			
J&K Electrical CONTRACTORS	19A TIVERTON AVENUE, KINGSBRIERE NORTHAMPTON NN2 8LY	57.50			
JUST FOODS CO LTD	OLD HALL FARM, OLD HALL LANE FRADLEY, STAFFS WS13 8PA	604.00			
JOHN MURCATTO LTD	THE BRICKHARDS, PARSONS ROAD MK18 THE COOMES, THORBOROUGH, Bucks 21FS	2893.18			
KAMMAX BREWERY	SUITE 29 ANGLESEY HOUSE, ANGLESEY ROAD, BUXTON ON TRENT, STAFFS DE14 3NT	61.62			
KEE SERVICES LTD	COLLEGE ROAD NORTH, ASTON CLUNTON AYLESBURY, Bucks HP22 5EZ	179.40			
KEITH MORRIS	41 WYNNESS AVENUE, LITTLE BRICKHILL MILTON KEYNES MK17 9NA	157.20			
KINGS LANDSCAPES	6 THYFORD LANE, WALNUT TREE MILTON KEYNES MK7 7BN	188.60			
KINGFISHER LTD	TORRAN BUSINESS PARK, WOODVIEW RD PILTON, DEVON TA4 7HP	275.02			

Signature

Date

8/12/09

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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 £
K.P. Plumbing Services	17 Church Avenue, Leighton Buzzard, LU7 1AQ	326.39			
Langmark Lifts Ltd	29 Charter Gate, Quarry Park Close, Northampton, NN3 6QBS	36.25			
Langmark Lifts Ltd		36.25			
LATEROOMS LTD	THE TOWER BUILDING, DEVA CENTRE TRINITY WAY, MANCHESTER M3 7B8	328.44			
LSN MEDIA LTD	22 MILL STREET, BEDFORD MK40 3HQ	115.00			
MAITLAND WALKER	19 IMPERIAL SQUARE, CHELSEHAM GLOUCESTERSHIRE, GL50 1QZ	619.00			
MARGUEE NURSERY SERVICES	53 TRINITY ROAD, FIVE OAKS SUTTON CALDAREL, BT5 6TS	624.45			
MATTHEWS CLARK WHOLESALE	WHITCHURCH LANE, WHITCHURCH BRISTOL, BS14 0JZ	1492.55			
MATELOT MARKETING LTD	29 OSTERS WAY, KETTERING NORTHAMPTON, NN15 6QJ	10.50			
MICO LIGHTING LTD	TELDONDALE LANE, ROBSEN W. YORKSHIRE LS28 9LD	123.17			
MOORE MAGAZINE	THE BUSINESS CENTRE 36'S DOORSTHORE RD PETERBOROUGH, PE1 3RE	50.00			
MOLTON BEDDING LTD	GREEN STREET, ELFENHAM BISHOPS CLEEVE, LEICESTER LE12 6DS	2455.84			

Signature

Date

8/12/09

COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
MPS CATERING	23 THE WAREHOUSE, LITTLE LONDON OULTOWN, SWINDON, WILTSHIRE SN1 3HQ	379.50			
NARORA CORP & TEA CO LTD	SHAKESPEARE STREET, WATERLOO HEATH WOL24 5RY	440.35 565.26			
NETHERCARE HOLDINGS LTD	THE CROWLER BREWERY, PENTON SUFFOLK CO10 7JJ	294.07			
NEWAVE HEATING NEWLANDS FARM	132 TURTON ROAD, BRADSHAW BOLTON, BL2 3QY	230.00			
NISSETS	HARDWICK LANE, HANNINGTON NORTHAMPTON NN16 9TC	213.40			
OFFICE BUSINESS SUPPLIES	1110 AZTEC WEST BRISTOL BS32 4HR	376.04			
OLDERSHAW BREWERY	Suite 17, LEONARD HOUSE 12-14 SILVER STREET TANNWORTH STAFFS B79 7NH	1025.36			
ONS LINE	12 HARBOROUGH HALL ESTATE, HARBOROUGH GRANTHAM, Lincs NG31 9HB	139.04			
OPTIC ILLUSION LTD	WESTMORE HOUSE UNIT 8 WESTMORE RD. KINGSSTON IND. EST. CARLUKE CA5 0HO	210.02			
OWEN REFRIGERATION	WALLS MILL, WALLS NE AMBLETON HAVESLATER WEST S462 5BA	103.50			
PARK VIEW LANDSCAPE	UNIT 5 BENTLEY COURT, FINEWOOD RD. IND. EST. BELLINGBOROUGH, NORTHANTS NN18 4BSQ	561.96			
	PARK ROAD, RIGSTON BLAKEBURN, LANCS BB51 4NG	568.95			

Signature

Date

8/12/09

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COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
PERCY SCOTT NASH	2 ARLINGTON COURT WHITTLE WAY STEVENAGE SG1 2FS	7735.03			
PHS GROUP PLC	WESTERN INDUSTRIAL ESTATE CARBIMILLY CF83 1XH	588.84			
POLVER 4 FUBS	THE INNOVATION CENTRE, VENTURE COVER, QUEENS MEADOW BUSINESS PARK HARTLEPOOL TS25 5TG	1380.00			
PROFESSIONAL RETAIL SYSTEMS	THE FORTAL, BRIDGELATER CLOSE NORTON OF BYWATER PARK, BURNLEY LANCS BB8 5TT	201.25			
REED & MACCARTHY TRAVEL LTD	26 OLD PARLEY LONDON, EC4M 7QH	7.82			
RICHARD WELDONSON	WHITE HOLME MILL, SKIPTON ROAD TRAVEREN CANE LANE BB8 8RN	2120.80 3855.21			
SAGE ESTATES SERVICES LTD	ELSTREE BUSINESS CENTRE W06 ELSTREE WAY, BOREHAMWOOD HERTS	557.18			
SCOTCH COURAGE	P.O. BOX 1938 LUNASTON, EH54 0BR	17158.24			
SHANES WASTE SERVICES	UNIT 22, NURSLOW, INVO EST. ORIANA WAY, SOUTHAMPTON SO16 0YU	1190.34			
SINCLAIR COLLIS LTD	LACHES CLOSE, FOUR ASHES WOLVERHAMPTON WV10 7JZ	234.40			
SP3M LTD	7 NORTH STREET, NORTHANTS NN4 6HX	258.75			

Signature

Date 8/12/09

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COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
SUNLIGHT SERVICE GROUP	CENTRAL CREDIT DEPT. P.O. BOX 6114 BASINGSTOKE RG24 8JP	6077.51			
TABLESIR.COM LTD	11 MEADOW WAY THE LANES CAPTENTON OXON OX18 1JP	142.14			
TASTE PUBLICATIONS	P.O. BOX 812 NORTHAMPTON NN4 4AO	345.00			
ECOLAB	CHANCEY HOUSE, ST. NICHOLAS WAY SUTTON, SURREY SM1 1JB	2822.78			
SERVICES LTD	UNIT 12, 1A1 INDUSTRIAL ESTATE 232, SUE HAREY WANDER ROAD PORTFOLIO FOLKINGHAM EN15 2BA	70.24			
TIM ROBERTSON WINE CELLARS	68 FOXHOLE ROAD, ACKHURST PARK IND. EST. CHORLEY LANES PR7 1NW	2903.75			
TOTAL DEEP CLEAN	RENNIE TEADNG ESTATE CHATSWORTH CLITHBORO BB37 4JY	1402.17			
TOTAL FOOD SERVICES	UNIT 3A BROOM BUSINESS PARK BRIDGE WAY, CHESTERFIELD S41 9QC	1317.87			
TSC MEDIA LTD		47.81			
UNIMOBIL COMMUNICATIONS	3 MONKSPATH HALL ROAD, SOLIHULL WEST MIDLANDS B90 4SJ	14,182.40			
UNIQUE PUB PROPERTIES LTD					
VACUENSA PLC	SERVICE HOUSE, 21 SHIELD DRIVE WORSLEY MANCHESTER M28 2QB	971.66			

Signature  Date 6/12/09

COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
VENUE OPTIONS LTD	THE LIMELIGHT BUILDING, CENTURY WORKS, LITTLE LONDON ROAD, SHEPHERD ST. OUT	104.88			
Viking Direct Ltd	P.O. Box 279 LEICESTER LE3 1YU	121.63			
Village Connect	HILL CREST HOUSE, CHURCH HILL GERRINGTON NORTHANTS NN14 1AH	1426.00			
W.C. RECORDS	49151 TENTER ROAD, MOUNTAIN PARK	293.76			
WSON	NORTHAMPTON NN3 6AX				
WHITAKERS CHOCOLATES	SNYFALL 11A. EST. SIKPTON N. YORKSHIRE BD23 2QR	4.59			
WHITCO CATERING	COTTINGHAM WAY, THRAPSTON NORTHANTS NN14 4A	440.62			
THE WICKED COFFEE CO LTD	UNIT 409, THORPE ARCH ESTATE WETHERBY W. YORKSHIRE LS23 7BT	651.42			
Quem Metro Live	P.O. Box 68, MANCHESTER M20 2J5	295.00			
SHANGHAI GENUINE		118,543			
WCA CUSTOMS & EXCISE		279,754			

Signature _____

Date _____

8/12/09

12/13

COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
ANGLIAN WATER	RAYMOUR CENTRE PO BOX 854 LINCOLN LN5 7UR	1597.09	ACC 100623454		
"	"	253.73	ACC 124143023		
BRITISH GAS	1600 PABERMAN COURT, OXFORD BUSINESS PARK, CIRENCESTER ROAD, OXFORD OX42 5JY	17114.17	ACC 80135199		
"		2838.34	ACC 10785233		
"	"	3638.63	ACC 103244499		
BRITISH TELECOM	DURHAM, CHURCH 185T	120.71	WM 36298759		
"	"	73.35	CM 64717212		
"	"	505.09	CM 64730616		
"	"	93.11	WM 37205110		
"	"	110.36	WM 37193342		
E-ON	49, MOUNT STREET, NOTTINGHAM, NG1 6PG	182.27	WM 0117 0103 6360		

Signature

Date

6/12/09

COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
NPOWER	PO Box 263, LEEDS LS14 9AN.	885.04	7971 8387080.		
SHELL GAS	P.O. Box 219, 11 ADAM STREET LONDON, WC2N 6DA	654.53	7070017712		
BT		451.99	LC 23515380		
HAVEN HOUSE	THE HAVENS, RANSOMES EUROPEAN RESACH, IP3 9SJ	2496.07	MERC0001 PARK INN		
"	"	643.07	MERC0002 250 LON		
"	"	697.33	MERC 0012 TISE.		
		074934185			

Signature 

Date 6/12/09

13/12

Statement of affairs

Name of Company GW1016 Limited	Company number 05034544
In the Royal Courts of Justice, Chancery Division Companies Court <small>[full name of court]</small>	Court case number 21117 of 2009

(a) Insert name and address of
registered office of the
company

Statement of affairs of (a) GW1016 Limited whose registered office is situated at 111 Edmund Street, Birmingham, West Midlands, B3 2HJ.

(b) Insert date

On the (b) 23 November 2009, 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 above named company as at (b) 23 November 2009 the date that the company entered administration.

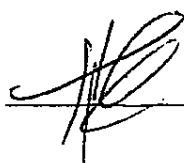
Full name K. Thorne 17.3.2012
Signed [Signature]
Dated 8/12/09

A1 – Summary of Liabilities

GW1016 LTD

	Estimated to realise £
Estimated total assets available for preferential Creditors (carried from page A)	£ -
Liabilities	
Preferential creditors:-	
Estimated deficiency/surplus as regards preferential creditors	£
Estimated prescribed part of net property where applicable (to carry forward)	£
Estimated total assets available for floating charge holders	£
Debts secured by floating charges	£ (1887,705)
Estimated deficiency/surplus of assets after floating charges	£
Estimated prescribed part of net property where applicable (brought down)	£
Total assets available to unsecured creditors	£
Unsecured non-preferential claims	£ (162,900.00)
Estimated deficiency after floating charge where applicable (brought down)	
Estimated deficiency/surplus as regards creditors	£ (2,08,105.00)
Issued and called up capital	£
Estimated total deficiency/surplus as regards members	£

Signature



Date

8/12/09

Q6W1C16 LTD

Assets subject to fixed charge:

THE VILLA HOTEL

Uncharged assets:

Estimated total assets available for preferential creditors

Book Value £	Estimated to Realise £
<u>2,699,375</u>	<u>1,900,000</u>

Signature _____

Date _____

A12109

COMPANY CREDITORS

GW1016 LTD.

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
3603	BLACK MOSS LANE, SCARISBRICK	3938.70			
Automobile Association	ORMSKIRK, LANCASHIRE, L40 9RW	5836.69			
Acorn Preservation Services	FANUM HOUSE, BASING VIEW BASINGSTOKE, RG21 4GZ	359.95			
ALCOOL (GW) LTD	PAIN HOUSE, LONDON ROAD COFFORD, COLCHESTER, CO6 1GT	992.88			
BARCLAYCARD MERCHANT SERVICES	BROOKSIDE, RED MARSH IND. EST. THORNTON CLEVELAYS, LANKS. FY5 4EZ	212.71			
THE BEST OF LYTHAM ST ANNES	NORTHAMPTON NN4 7SQ.	148.06 1479.91			
BDC CABLES LTD	31 RAMSGATE ROAD, LYTHAM ST. ANNES FY8 2HT	29.38			
BRITISH Telecom	PRESTLEY ROAD, WORSLEY MANCHESTER, M28 2UT	126.55			
BRITISH Telecom	DURHAM, DH98 1BT	823.07			
C & A NERVE LTD	81 NEWCASTLE STREET LONDON, EC1A 7AJ	223.10			
CALOR GAS	19 COPSE ROAD FLEETWOOD FY7 6AP	3560.02			
CASTLE FLARM	ATHENA DRIVE, TACHYBROOK PARK WARWICK, CV34 6RL	3521.66			
	MILLENNIUM HOUSE, BOUNDARY PARK UNDERBARROW ROAD, KENDAL, CUMBRIA LA9 5RA.	247.19			

Signature

Date 6/12/09

COMPANY CREDITORS

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Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
CATERPILLAR LTD	UNITS, DUTTONS WAY, SETTEND ROAD SHARPSLOTH BUSINESS PARK, BLACKBURN BB1 2DQ	110.40			
CHURCHILL VINTNERS	WALSALL ROAD, PEREY BAR, BIRMINGHAM, B42 1BT	22451.29			
Vedica ES UK LTD	LINDON ROAD, BROWNHILLS WALSALL, WS8 7GB	424.46			
CRAWFORD LTD	64 BURLINGTON LANE LONDON, W4 2RL	172.50			
C.S. DIGITAL SYSTEMS	65 EASTBANK STREET SOUTHPORT PR8 1EJ	214.98			
CUNNINGHAM'S CASH REGISTER	HEADLEY TECHNOLOGY PARK, MIDDEL LANE, WYTHALL, BIRMINGHAM, B38 0DS	1049.38			
ECCLES LTD	CHANCEY HOUSE, ST NICHOLAS WAY, SUTTON, SURREY, SM1 1JB	74.75			
* EUROPEAN WATERCARE LTD	REGAL HOUSE, SOUTH ROAD, HARLOW, ESSEX, CM20 2RL	155.25			
HOTEL RESERVATION SERVICE	BLAUERACH 32, D-50676 KOLN, GERMANY	39.45			
* JOHNSTON PUBLISHING (NORTH)	P.O. BOX 319, WELLINGTON STREET LEEDS, LS1 1QJ	811.16			
LANCASHIRE & BLACKPOOL TOURIST	CHRIST CHURCH RECINER, COUNTRY HALL, FISHERGATE HILL, PRESTON PR1 2ET	328.50			
* LANCASHIRE BUSINESS SYSTEMS LTD	LANCASHIRE HOUSE, BRANSON WAY WEST BROMWICH, WEST MIDLANDS B70 8JN	1868.73			

Signature

Date

8/12/09

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 £
WAS LTD	MINI WAT, BRUNNEN,		
* LIFTSEV LTD	8 BESSEMER CLOSE, EBBWLAKE IND-EST, VERWOOD, DORSET, BH31 6AZ.	1225.34			
MATTHEW CLARK	WHITCHURCH LANE, WHITCHURCH BRISTOL, BS14 0JZ.	2295.23			
* MEDICARE LTD	P.O. BOX 202, LINCOLN LN6 7US	49.45			
MEK CARE LTD	16 BRIDGEMAN TERRACE WIGAN, LANCASHIRE, WN1 1TO	681.50			
MICO LIGHTING LTD	TROYDALE LANE, ROSEY WEST YORKSHIRE, LS28 9LD	483.00			
MOLTON BROWN LTD	GREEN STREET, ELSENHAM BISHOPS COTFORD, HERTS CM22 6QJ	1177.43			
NAIDBAI Coffee & Tea Co LTD	SHAKESPEARE STREET, WATFORD HERTS, WD24 5RY	271.00			
NORTH & WESTERN LANCASHIRE	9-10 EASTWAY BUSINESS VILLAGE OLIVERS PLACE, GUILDFORD, PRESTON LANCASHIRE, PR2 9WT	3916.75			
* PARK VIEW LANDSCAPE	PARK ROAD, RUSHTON BLACKBURN, LANC, BB1 4NG	597.45			
* PENNYS MEAT OF EXCELLENCE	192 WHALLEY ROAD, CLAYTON-LE-MOORS ROCKINGTON, LANC, BB5 5HE	1087.55			
PHS GROUP PLC	WESTERN INDUSTRIAL ESTATE CAERPHILLY, CF83 1XH	900.06			

Signature


Date

6/12/09

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 £
PVL CHOICE RENTAL	STELLA WAY, BISHOPS CLEEVE CHELTENHAM, GL52 7DQ	214.22			
POWER 4 PUBS	THE INNOVATION CENTRE, VENTURE COURT QUEENS MANSION BUSINESS PARK HARTLEPOOL TS25 5TE	138.00			
PRESTICE IMAGING SUPPLIES	UNIT 7 GULLOPRIME BUSINESS CENTRE SOUTHERN ROAD, GREAT BURNING BILKINGTON, ESSEX, CM11 3DZ	172.21			
RIBBLE FARM FARM LTD	UNIT 14, SHAY LANE IND. EST. LONGRICHE, PRESTON, PR3 3BT	1708.36			
SCOTTISH COURAGE LTD	P.O. BOX 1938, LIVINGSTON EH54 8YF	22916.71			
SEY	P.O. BOX 1805, LIVINGSTONE WEST LITHAM, EH54 7XG	1716.22	ACC 500007000788		
CATTIES INVOICE FINANCE LTD (SUGARVINE)	ST. JAMES HOUSE 7 CHARLOTTE STREET MANCHESTER M1 4DZ	402.50			
THE SUNLIGHT SERVICE GROUP LTD	CENTRA CREDIT DEPARTMENT P.O. BOX 6114, BASINGSTOKE RG24 8JF	4365.72			
TSA MEDIA LIMITED	UNIT 31A, BROOM BUSINESS PARK BROCKENHAM, CHESTERFIELD, S41 9QG	115.00			
UNIMORCO COMMUNICATIONS		90.06			


Signature  Date 8/12/00

61,067.91

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 £
THE WEDDING DIRECTORY LTD	HAMILTON HOUSE, BROADVIEW, RYESEA, ROAD, AYLESBURY, BUCKINGHAMSHIRE HP19 8BU	399.05			
HAVEN POWER	HAVEN POWER LTD, TRAX POWER STATION, SELBY, N. YORKSHIRE, YO8 8PH	END OF NOV 730.67			
CUSTOMERS & EXCHG		5667.41			
DULAND AGENCY		14,615.00			
		162,900.04			

Signature  Date 6/12/09

Mercury Inns Group Limited, Mercury Inns and GW 1016 Limited
Summary of the Joint Administrators' Receipts and Payments

**Mercury Inns Group Limited
In Administration**

**Summary of Joint Administrators' Receipts And Payments from 23 November 2009 to
1 January 2010**

RECEIPTS	Total (£)
Rent Deposit Refunds - Leasehold Properties	7,284.16
Fixtures & Fittings - Leasehold Properties	6,500.00
	<u>13,784.16</u>
PAYMENTS	Total (£)
Legal Fees	3,450.00
	<u>3,450.00</u>
Balance in Hand	<u>10,334.16</u>

**BDO LLP
55 Baker Street
London
W1U 7EU**

**A D Nygate & T L Pye
Joint Administrators
15 January 2010**

**Mercury Inns
In Administration**

**Summary of Joint Administrators' Receipts And Payments from 23 November 2009 to
1 January 2010**

RECEIPTS	Total (£)
Business Rates Refunds	8,407.44
Cash at Bank	1,642.38
Rent Deposit Refunds - Leasehold Properties	20,567.08
Fixtures & Fittings - Leasehold Properties	50,580.00
Stock	6,000.00
Book Debts - PDQ sales	16,953.61
Trading - PDQ sales	52,532.79
Output VAT	7,737.00
	<hr/>
	164,420.30
	<hr/>
PAYMENTS	Total (£)
Purchases - Wine & Beer	2,577.54
Fuel & Oil	608.00
Security	292.00
Legal Fees	4,503.00
Waste & Refuse	905.67
Input VAT	1,272.13
Bank Charges	20.00
	<hr/>
	10,178.34
	<hr/>
Balance in Hand	<hr/>
	154,241.96
	<hr/>

**BDO LLP
55 Baker Street
London
W1U 7EU**

**A D Nygate & T L Pye
Joint Administrators
15 January 2010**

**GW 1016 Limited
In Administration**

**Summary of Joint Administrators' Receipts And Payments from 23 November 2009 to
1 January 2010**

RECEIPTS	Total (£)
Book Debts - PDQ sales	7,458.70
Trading - PDQ sales	29,799.84
	<u>37,258.54</u>
 PAYMENTS	 Total (£)
Business Rates	6,856.44
Equipment	3,390.00
Waste & Refuse	262.83
Input VAT	547.92
Bank Charges	40.00
	<u>11,097.19</u>
 Balance in Hand	 <u><u>26,161.35</u></u>

**BDO LLP
55 Baker Street
London
W1U 7EU**

**A D Nygate & T L Pye
Joint Administrators
15 January 2010**

Mercury Inns Group Limited, Mercury Inns and GW 1016 Limited
Summary of the Joint Administrators' Time Costs,
A creditor's guide to Administrators' fees,
BDO LLP policy on fees

16,454.46

Summary of Time Charged and Rates Applicable for the Period from 23 November to 1 January 2010

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR EXECUTIVE		EXECUTIVE		OTHER STAFF		GRAND TOTAL		AVRT £
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	
B. Steps on Appointment	5.00	3,225.00	25.50	7,387.50			9.72	2,332.00	2.25	247.50			42.47	13,192.00	310.62
C. Planning and Strategy			19.50	8,937.50			22.35	5,364.00					41.85	14,301.50	341.73
D. General Administration			9.00	4,244.00			4.60	1,104.00	3.00	525.00	1.50	132.00	18.10	6,005.00	331.77
E. Assets Realisation/Dealing			38.50	14,139.50			3.15	811.00					41.65	14,950.50	358.96
F. Trading Related Matters							25.20	6,048.00					25.20	6,048.00	240.00
G. Employee Matters			0.30	113.70			9.45	2,268.00	17.25	1,666.50			27.00	4,048.20	149.93
H. Creditor Claims							9.35	2,244.00					9.35	2,244.00	240.00
I. Reporting			5.00	1,895.00			10.00	2,400.00					15.00	4,295.00	286.33
	5.00	3,225.00	97.80	36,717.20	0.00	0.00	93.82	22,571.00	22.50	2,439.00	1.50	132.00			

Net Total

220.62

65,084.20

Secretarial Expense

0.00

Other Disbursements

487.48

Grand Total

65,571.68

Name of Assignment

GW 1016 Limited

00149222

Summary of Time Charged and Rates Applicable for the Period from 23 November to 1 January 2010

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR EXECUTIVE		EXECUTIVE		OTHER STAFF		GRAND TOTAL		AV RT
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	
B. Steps on Appointment							4.42	1,060.00					4.42	1,060.00	239.82
C. Planning and Strategy			1.00	379.00									1.00	379.00	379.00
D. General Administration			1.50	568.50			1.00	240.00	1.00	175.00			3.50	983.50	281.00
E. Assets Realisation/Dealing			3.50	1,326.50			0.15	36.00					3.65	1,362.50	373.29
F. Trading Related Matters							21.80	5,232.00					21.80	5,232.00	240.00
G. Employee Matters			0.30	113.70			0.75	180.00	2.00	220.00			3.05	513.70	168.43
H. Creditor Claims							4.30	1,032.00					4.30	1,032.00	240.00
I. Reporting			3.25	1,231.75			9.75	2,340.00					13.00	3,571.75	274.75
	0.00	0.00	9.55	3,619.45	0.00	0.00	42.17	10,120.00	3.00	395.00	0.00	0.00	54.72	14,134.45	

Net Total

54.72

14,134.45

Secretarial Expense

0.00

Other Disbursements

8.00

Grand Total

14,142.45

1 Introduction

- 1.1** When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

2 The nature of administration

- 2.1** Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable

- realising property in order to make a distribution to secured or preferential creditors.

3 The creditors' committee

- 3.1** The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's fees

- 4.1** The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed either:

- as a percentage of the value of the property which the administrator has to deal with, or
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration.

It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed and, if it is fixed as a percentage fix the percentage to be applied. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the administrator;
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties;
- the value and nature of the property which the administrator has to deal with.

- 4.2** If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as the committee would. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator.

- 4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets. In this case a resolution of the creditors shall be taken as passed if, and only if, passed with the approval of –

- each secured creditor of the company; or
- if the administrator has made or intends to make a distribution to preferential creditors – each secured creditor of the company; and
- preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

- 4.4 A resolution of creditors may be obtained by correspondence.

5 What information should be provided by the administrator?

5.1 When seeking fee approval

- 5.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information, which should be provided, will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought; and
- the size and complexity of the case.

- 5.1.2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

- 5.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, and professional guidance has been provided setting out a minimum of 6 category headings under which the work done by the officeholder and his staff should be analysed. As a firm BDO LLP operates a computerised time recording system which analyses work done under the following categories:-

- Pre Appointment Matters
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters

- Employee Matters
- Creditor Claims
- Reporting
- Distribution and Closure
- Other Issues

Professional guidance suggests the following categories as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals, including sub-contractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

- 5.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

5.2 After fee approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 5.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 5.1.4 above regarding work which has been sub-contracted out.

5.3 Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

6 What if a creditor is dissatisfied?

- 6.1 If a creditor believes that the administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not as an expense of the administration.

7 What if the administrator is dissatisfied?

- 7.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

8 Other matters relating to fees

- 8.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.
- 8.2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

9 Provision of information – additional requirements

In any case where the administrator is appointed on or after 1 April 2005 he must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company. The information which must be provided is –

- the total number of hours spent on the case by the administrator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office.

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office.



Mercury Inns Group Limited, Mercury Inns and GW 1016 Limited
- All In Administration

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on each insolvency, follows: This in no way implies that staff at all such grades will work on the case.

GRADE	£
Partner1	645
Partner2	520
Director	446
Senior Manager	379-413
Manager	284-322
Assistant Manager	257
Senior Executive	240
Executive	175-193
Junior Executive	139
Trainee	88
Support staff/Secretary	88

The rates charged by BDO LLP, 55 Baker Street, London, W1U 7EU are reviewed in December and July each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

Pre Appointment
Steps upon Appointment
Planning and Strategy
General Administration
Asset Realisation/Management
Trading Related Matters
Employee Matters
Creditor Claims
Reporting
Distribution and Closure
Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.



Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.

Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), searches at Companies House, land registry searches, fees in respect of swearing legal documents, external printing costs etc. In each case the recharge will be reimbursement of a specific expense incurred.

A further disbursement under this heading is the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 40p per mile is raised which is in line with the Inland Revenue Approved Mileage Rates (median – less than 10,000 miles per annum) which is the amount the firm pays to staff.

Where applicable, disbursements will be subject to VAT at the prevailing rate.

Category 2

Additionally some firms recharge expenses for example postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of a each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors, before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP, effective from 1 July 2003, is not to recharge any expense which is not a specific cost to the case, therefore there will be no category 2 disbursements charged. Category 2 disbursements, because they are imprecise, require approval by the creditors before they can be drawn.

Mercury Inns Group Limited, Mercury Inns and GW 1016 Limited
Joint Administrators' proposals

**Mercury Inns Group Limited
Mercury Inns
GW 1016 Limited
(together “the Companies”) - All In Administration**

Formal Proposals - the Joint Administrators propose that in relation to Mercury Inns Group Limited, Mercury Inns and GW 1016 Limited that:

- 1 they continue to realise assets in accordance with objective 3 of the statutory purpose of each administration;
- 2 where possible, they make payments to the Companies’ secured and preferential creditors;
- 3 they exit each administration by way of dissolution and
- 4 the remuneration of the Joint Administrators is approved on the basis of the time properly spent attending to matters arising in each administration; and

[NB. This will be subject to approval by the secured and preferential creditors.]

A further resolution is put to creditors:

- 5 That the Joint Administrators be discharged from liability under each Administration per Paragraph 98 of Schedule B1 of the Insolvency Act 1986, 28 days after the Joint Administrators’ filing their final report and sending it to creditors.

Mercury Inns Group Limited, Mercury Inns and GW 1016 Limited
Proof of Debt forms

No 21120 of 2009

Date of Administration 23 November 2009

- | | | |
|----|--|----------|
| 1 | Name of creditor | |
| 2 | Address of creditor | |
| 3 | Total claim including VAT and interest as at the date of the appointment of administrators | £ |
| 4 | <i>(see overleaf)</i> | |
| 4 | Details of documents by which debt can be substantiated (please attach copy documents) | |
| 5 | Amount of any interest included in claim | £ |
| 6 | Is the whole or part of the debt preferential? | Yes / No |
| | If so, state amount, and details | £ |
| | See notes overleaf | |
| 7 | Particulars of how and when debt incurred | |
| 8 | Particulars and value of any security held and the date it was given | |
| 9 | Signature of creditor
or other authorised person | |
| | Name in BLOCK LETTERS | |
| | Creditor's reference: | |
| 10 | Position or Relationship with Creditor | |

For Use of Administrator Only

11 Admitted to vote for £

Date

Joint Administrator

12 Admitted preferentially
for £

Admitted non-preferentially
for £

Date

Date

Joint Administrator

Joint Administrator

Guidance Notes re Preferential Debts:

The categories of preferential debts under S.386(1) of the Insolvency Act 1986 are as follows:

- pension scheme contributions
- remuneration etc of employees
- Levies on Coal & Steel Productions.

VAT Bad Debt Relief

The provisions of the Finance Act, 1990, came into effect on 26 July, 1990, and introduced changes in the way that VAT on Bad Debts is recovered.

Your claim overleaf must be quoted inclusive of VAT. You may claim relief on your VAT return when the debt is at least six months old and has been written off. Any dividend you receive in respect of this claim will include payment in respect of the VAT element of your debt and you will be responsible for declaring such VAT to HM Customs & Excise.

PROOF OF DEBT

**In The High Court of Justice
Chancery Division
Companies Court**

No 21119 of 2009

**Mercury Inns
- In Administration -**

Date of Administration 23 November 2009

- 1 Name of creditor
- 2 Address of creditor
- 3 Total claim including VAT and interest as at
the date of the appointment of administrators £
(see overleaf)
- 4 Details of documents by which debt can be
substantiated (please attach copy documents)
- 5 Amount of any interest included in claim £
- 6 Is the whole or part of the debt preferential? Yes / No
If so, state amount, and details £
See notes overleaf
- 7 Particulars of how and when debt incurred
- 8 Particulars and value of any security held and
the date it was given
- 9 Signature of creditor
or other authorised person
- Name in BLOCK LETTERS
- Creditor's reference:
- 10 Position or Relationship with Creditor

For Use of Administrator Only

11 Admitted to vote for £

Date

Joint Administrator

12 Admitted preferentially
for £

Date

Joint Administrator

Admitted non-preferentially
for £

Date

Joint Administrator

Guidance Notes re Preferential Debts:

The categories of preferential debts under S.386(1) of the Insolvency Act 1986 are as follows:

- pension scheme contributions
- remuneration etc of employees
- Levies on Coal & Steel Productions.

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