

The Insolvency Act 1986

**Notice of move from
administration to dissolution****2.35B**

Name of Company
Torbay Hotels Limited

Company number
4690061

In the High Court of Justice
(full name of court)

Court case number
15857 of 2009

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

I/We (a) Simon Thomas
Moorfields Corporate Recovery LLP
88 Wood Street
London
EC2V 7RS

Fred Satow
Moorfields Corporate Recovery LLP
88 Wood Street
London
EC2V 7RS

(b) Insert name and
address of
registered office of
company

having been appointed administrators of Torbay Hotels Limited, C/o Moorfields Corporate Recovery
LLP, 45 Moorfields, London, EC2Y 9AE

(c) Insert date of
appointment

on 1 July 2009 by High Court of Justice

(d) Insert name of
applicant/appointor

Abbey National Bank PLC hereby give notice that the provisions of paragraph 84(1) of Schedule B1
to the Insolvency Act 1986 apply.

We attach a copy of the final progress report

Signed

Joint / Administrator(s)

Dated



15/1/10

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 the public.

Simon Thomas
Moorfields Corporate Recovery LLP
88 Wood Street
London
EC2V 7RS

DX Number

0208 528 1050
DX Exchange



RM 15/01/2010 467

COMPANIES HOUSE

AIQ 14/01/2010 94

COMPANIES HOUSE

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

Our ref: TORB001/ST/FS/CB/AD/ADM 16 010
Your ref:

To All Members and Creditors



COMPANIES HOUSE

15 January 2010

Dear Sirs

Torbay Hotels Limited ("The Company") – In Administration

In accordance with Rule 2.47 and 2.110 of the Insolvency Rules 1986, I would like to provide creditors with my final progress report following my appointment as Joint Administrator on 1 July 2009.

In accordance with the proposals dated 26 August 2009, I am now in a position to move the Company to dissolution and for the Joint Administrators ("the Administrators") to be discharged and released from office.

Details of the steps taken during the Administration, assets realised and the outcome of the Administration are set out below.

Statutory Information

The Administrators are required to provide statutory information pursuant to Rule 2.47(1)(a) to (d) IR 86. Statutory information relating the Company and the appointment is attached to this report as **Appendix I**.

The secured creditor approved the Administrators' proposals in accordance with Rule 2.33(5) of the Insolvency (Amendment) Rules 2003.

A copy of these proposals is attached at **Appendix II** in accordance with Rule 2.110(2)(a), I can confirm that during the course of the Administration there were no material amendments to or deviations from these proposals.

Administration strategy

The strategy of the Administration was outlined in detail in my initial report to creditors. I would summarise as follows:

The objective of the Administration was to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration). This was achieved by continuing to trade and selling the business and assets as a going concern.

Upon our appointment we continued to trade, under the control of our agents Asset Manager Solutions Limited ("AMS"), whilst the business was marketed.

Following a period of marketing the business was sold on 15 November 2009 for £775,000.

Administrators' accounts

Attached as **Appendix III** is the Administrators' account for the period 1 July 2009 to 15 January 2010 which is self explanatory.

Outcome to creditors

Secured Creditors

As outlined in the Receipts and Payments account a distribution has been made to Abbey National Bank plc in respect of their fixed charge over the land and buildings of the Company.

Preferential creditors

There were insufficient assets to make a distribution to the preferential creditors of the Company.

Unsecured creditors and the Prescribed Part

As the Net property of the Company amounted to less than the prescribed minimum no prescribed part was set aside for the unsecured creditors.

As such there has been and will not be any distribution to unsecured creditors.

End of Administration

The Administrators have filed the enclosed Form 2.35B "Notice of move from Administration to Dissolution" at Companies House. As a result the Administration has ended and the Company will be dissolved three months following the date this form was received by the Registrar of Companies.

In accordance with the resolution passed by the secured creditor pursuant to paragraph 49 of Schedule B1 of the Act the Administrators' release from liability will take effect within 14 days of the filing of Form 2.35B.

Remuneration

The secured creditor resolved that, pursuant to paragraph 49 of Schedule B1 of the Act, the Administrators proposals relating to their remuneration be approved. This provided for the Administrators to be remunerated with reference to time properly spent in dealing with this matter.

The Administrators' time costs to date amount to £46,464.27 plus disbursements of £364.71. In accordance with Statement of Insolvency Practice 9 I have attached at **Appendix IV** a breakdown of these time costs. Of these costs £40,000 remuneration has been drawn to date, the remainder of my fees will be written off.

Further Information

This is the final report you will receive on this matter but should you have any queries please do not hesitate to contact Andrew Darling on the number below.

Yours faithfully
For and on behalf of
Torbay Hotels Limited



F C Satow
Joint Administrator

DDI 020 8528 1556
Fax 020 8628 1290
Email adarling@moorfieldscr.com

Please note that as of 30 December 2009, we have changed our name from RSM Bentley Jennison & Co LLP to Moorfields Corporate Recovery LLP.

Simon Thomas and Fred Satow of Moorfields Corporate Recovery LLP, 88 Wood Street, London EC2V 7RS were appointed Joint Administrators on 1 July 2009. The Administrators now manage the affairs, business and property of the company. The Administrators act as agents only and without personal liability.

Statutory Information**Appendix I****Company Information**

Company Name	Torbay Hotels Limited
Company Number	4690061
Registered Office	C/o Moorfields Corporate Recovery LLP, 45 Moorfields, London, EC2Y 9AE
Trading Address	Lincombe Hall Hotel, Meadfoot Road, Torquay

Appointment details

Administrators	Simon Thomas and Fred Satow of Moorfields Corporate Recovery LLP
Administrators' address	Moorfields Corporate Recovery LLP, 88 Wood Street, London, EC2V 7RS

Date of appointment	1 July 2009
Court	High Court of Justice
Court Reference	15857 of 2009

Appointed by:	Abbey National Bank PLC
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Functions:	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.
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EC Regulations:	The Company's registered office is from where the Company carries on its business. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom and as such these proceedings will be the main proceedings as defined in article 3 of the EC regulation.
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Extensions:	The Administrators have not sought an extension to the period defined by Paragraph 76(1) of Schedule B1 of the Act that provides for the automatic end of the Administration after 12 months from the date of appointment.
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The Joint Administrators propose the following:

1. The Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect.
2. The Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.
3. When it is anticipated that no better realisations will be made in the Administration than would be available in a winding up, to take the necessary steps to put the Company into either creditors' voluntary liquidation, company voluntary arrangement or into compulsory liquidation as deemed appropriate by the Joint Administrators. Simon Thomas and Frederick Satow would be appointed as Joint Liquidators.
4. In accordance with Paragraph 83(7) of Schedule B1 of the Insolvency Act 1986 and Rule 2.117(3) creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of the revised proposals. In the absence of such nomination, the Joint Administrators will be appointed joint liquidators.
5. In the event that the Joint Administrators form the view that the exit options identified in the proposals are inappropriate, then, in due course, take the necessary steps to give notice to the Registrar of Companies to the effect that the Company has no property which might permit a distribution to its creditors, at which stage the administration will cease.
6. That the Joint Administrators be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration.
7. That the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the administration.
8. That Moorfields Corporate Recovery LLP be authorised to draw fees in respect of time costs incurred in assisting with placing the company into administration.
9. That the Joint Administrators be authorised to draw their firm's internal costs and expenses in dealing with the administration ("Category 2 Disbursements"), if any.

Appendix III

**Torbay Hotels Limited
(In Administration)**

**Summary of Receipts & Payments
01 July 2009 to 15 January 2010**

RECEIPTS	Total (£)
Trading Sales	215,971.00
Contribution to cost	22,247.54
Freehold Property	497,600.00
Plant & Machinery	24,700.00
Goodwill	135,000.00
Integral features	64,000.00
Plant & Machinery	53,700.00
Stock	4,364.74
Book Debts	5,682.00
Cash at Bank	100.00
Bank Interest Gross	12.27
Vat Control Account	2.49
	1,023,380.04
PAYMENTS	
Purchases (1)	37,176.00
Direct Labour	92,508.00
Direct Expenses	64,209.00
Rates	13,747.00
Insurance	1,245.00
Bank Charges	1,605.51
Management fees	16,859.00
Office Holders Fees	21,000.00
Legal Fees	10,579.00
Agents/Valuers Fees	13,562.50
Abbey National Bank PLC	700,000.00
Stock/WIP	3,577.20
Preparation of S. of A.	500.00
Office Holders Fees	19,000.00
Agents/Valuers Fees (2)	390.00
Corporation Tax	3.36
Storage Costs	2,395.12
Insurance of Assets	3,020.86
Armada Investments - HP Settlement	22,000.00
Vat Receivable	2.49
	1,023,380.04
Balance In Hand	0.00
	1,023,380.04

Office Holder Remuneration

Appendix IV

Case Name	Torbay Hotels Limited	
Court	High Court of Justice	
Court reference	15857 of 2009	
Office Holders	Simon Thomas and	IP Number: 8920
	Fred Satow	IP Number: 8326
Firm	Moorfields Corporate Recovery LLP,	
Address	88 Wood Street, London, EC2V 7RS	
Type of Appointment	Administration	
Date of Appointment	1 July 2009	

1. Overview of Case

1.1. Appointment

We were appointed Joint Administrators on 1 July 2009 following an application by the Abbey National Bank PLC.

1.2. Strategy

The strategy of the Administration was outlined in detail in my initial report to creditors. I would summarise as follows:

The objective of the Administration was to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

1.3. Staffing

In order to operate the business successfully and professionally I instructed my agents Asset Manager Solutions Limited ("AMS") to trade the business on my behalf. Due to the competitive nature of the industry I engaged AMS who are a specialist company in this field.

1.4. Existing fee arrangements

The secured creditor agreed that:

'That that Joint Administrators' remuneration be fixed on the basis of time properly spent by the Joint Administrators and their staff in attending to matters arising in the Administration and that they be authorised to draw allocated disbursements.'

1.5. Outcome to creditors

The outcome to creditors is detailed in my main report.

2. Explanation of office-holders charging and disbursement recovery policies

2.1. Time recording

Time properly incurred on cases is charged to the assignment at the hourly rate prevailing at the time. The current hourly charge out rates are outlined below:

	£
Directors and Licensed Insolvency Practitioners	420
Senior Manager	310
Managers	275-300
Assistant Managers	225
Senior administrators	180
Case administrators	125-165
Cashiers	125

Secretarial and support staff are not charged to the cases concerned, being accounted for as an overhead of Moorfields Corporate Recovery LLP,.

For your information, a Creditors Guide to Administrators' fees can be found on the following website: <http://www.insolvency-practitioners.org.uk/uploads/Admin.pdf>

2.2. Disbursement recovery

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling, postage, photocopying, statutory advertising and other expenses made on behalf of the assignment. Details of such disbursements are included attached.

No indirect charges (category 2 disbursements) are to be charged to this matter.

3. Description of work carried out

Section 4 of this appendix outlines the time costs to date in relation to activities undertaken during this matter. These matters can be summarised as follows:

3.1. Pre-appointment

Time spent in this category comprises the activities required to obtain an Administration Order.

3.2. Administration and planning

The following activities have been undertaken:

- > Statutory duties associated with the appointment including the filing of relevant notices;
- > Notification of the appointment to creditors, members, employees and other interested parties;
- > Setting up case files;
- > Reviewing available information to determine appropriate strategy;
- > Setting up and maintaining bank accounts;

Staff of different levels were involved in the above activities depending upon the experience required.

3.3. Investigations

The time spent comprises:

- > Corresponding with the former directors and management;
- > Review of questionnaires and comments provided by interested parties;
- > Review of company documentation; and
- > Completion of statutory returns to the Department of Trade and Industry;
- > Investigating the validity of an unregistered charge.

Due to the complex nature and importance of the investigations, the staff utilised to conduct such work involved experienced members of staff.

3.4. Realisation of assets

Appendix III shows the realisations made for the benefit of creditors. In this case the assets belonging to the company were as follows.

Book debts

Were collected by my staff.

Freehold Land and Property & Goodwill,

My agents Colliers Robert Barry conducted a valuation and marketed the same for sale.

Plant & Machinery and Integral features.

My agents Edwards Symmons were instructed to value these assets for both in & ex situ sale.

Trading

My agents AMS Limited traded and maintained the business on my behalf whilst a purchaser was sought.

3.5. Trading

The business continued to trade from 1st July to 12th November 2009 in order to achieve a greater sale price for the business. Most of the trading was conducted by my agents, AMS.

- > Trading activities included;
- > Planning appropriate trading strategy;
- > Liaison with employees;
- > Dealing with suppliers;
- > Contact and negotiation with customers;
- > Authorisation of commitments;
- > Review of trading position;
- > Paying suppliers;

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake.

3.6. Creditors

The time spent includes the following matters

- > Recording and maintaining the list of creditors;
- > Dealing with employee related matters;
- > Dealing with reservation of title claims;
- > Recording creditor claims
- > Reporting to creditors;
- > Meetings of creditors;
- > Dealing with creditor queries;
- > Reviewing and evaluating creditor claims;

Time Entry - SIP9 Time & Cost Summary**Appendix IV**

TORB001 - Torbay Hotels Limited

Project Code: POST

From: 01/07/2009 To: 15/12/2009

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	10.50	18.45	87.30	7.06	123.31	25,134.59	203.83
Asset Realisation	4.25	14.20	51.44	0.00	69.89	14,529.91	207.90
Creditors	1.75	1.80	24.91	1.25	29.71	5,466.52	184.00
Investigations	0.00	0.50	6.10	0.00	6.60	1,156.50	175.23
Trading	1.75	0.90	2.10	0.00	4.75	1,351.50	284.53
Total Hours	18.25	35.85	171.85	8.31	234.26	47,639.02	203.36
Total Fees Claimed:						40,000.00	

5. Disbursements

Appendix IV (Continued)

5.1. Category 1

Category 1 disbursements incurred are outlined below:

	Incurred £	Paid £
Rail fares	265.95	265.95
Taxi	15.00	15.00
Accommodation	57.01	57.01
Sustenance	26.75	26.75
Total	<u>364.71</u>	<u>364.71</u>

The above costs exclude VAT.

5.2. Category 2 disbursements

No Category 2 disbursements have been charged to this matter.