



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

1 Company details

Company number 0 7 7 0 7 2 0 3

Company name in full Waterfront Southport Properties Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Paul Michael

Surname Davies

3 Administrator's address

Building name/number c/o James Cowper Kreston

Street The White Building

1-4 Cumberland Place

Post town Southampton

County/Region

Postcode S O 1 5 2 N P

Country

4 Administrator's name ①

Full forename(s) Sandra Lillian

Surname Mundy

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number c/o James Cowper Kreston

Street The White Building

1-4 Cumberland Place

Post town Southampton

County/Region

Postcode S O 1 5 2 N P

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	2	d	8	m	0	m	3	y	2	y	0	y	2	y	3
To date	d	2	d	7	m	0	m	9	y	2	y	0	y	2	y	3

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

P. Jamm

X

Signature date

d	2	d	7	m	0	m	9	y	2	y	0	y	2	y	3
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**Presenter information**

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

Contact name **Sydney May**

Company name **c/o James Cowper Kreston**

Address **The White Building**

1-4 Cumberland Place

Post town **Southampton**

County/Region

Postcode

S O 1 5 2 N P

Country

DX

Telephone **023 8022 1222**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

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

**Waterfront Southport Properties Limited
(Formerly known as Bliss Hotels Limited)
(the “Company”)**

In Administration

Six Month Progress Report

27 October 2023



Waterfront Southport Properties Limited- in Administration
Sixth Month Progress Report dated 27 September 2023

Statutory Information

The Company	Waterfront Southport Properties Limited
Trading Name	None
Trading Address	Waterfront, Promenade, Southport, PR9 0DX
Former Company Name	Bliss Hotels Limited (until 1 March 2022)
Former Trading Name	As above
Registered Number	07707203
Date of Incorporation	15 July 2011
Court / Reference Number	730 of 2022 in the High Court
Registered Address	c/o The White Building 1-4 Cumberland Place Southampton SO15 2NP
Former Registered Office	Bliss Blakeney, Morston Road, Blakeney, NR25 7BG
Activity of the Company	Property holding company
Appointed By	Charge holder
Joint Administrators' Details	Paul Michael Davies and Sandra Lillian Mundy James Cowper Kreston The White Building 1-4 Cumberland Place Southampton SO15 2NP
IP Numbers	16510 and 9441
Management	The affairs, business and property of the Company are being managed by the Joint Administrators
Date of Administrators' Appointment	28 September 2022
Changes to Office Holders	None
Purpose of the Administration	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration)
Date of Approval of Proposals	1 December 2022
Functions of the Joint Administrators	The Joint Administrators for the purpose of para 100 (2) of Schedule B1 of the Insolvency Act 1986 ("the Act") will act and exercise any of the powers conferred on them in the Act jointly or individually
EC Regulations on Insolvency Proceedings	Centre of Main Interest (COMI) proceedings
Expected Outcome for Creditors	Based on current information it is expected that the secured creditor will receive a distribution under its security. HMRC as secondary preferential creditor will likely receive a dividend for any preferential element of its claim. It is not expected that unsecured creditors will receive a dividend by way of the Prescribed Part or otherwise. Further details can be found in the creditors section of this report.

Introduction

This progress report has been prepared to provide an update for the work undertaken by the Joint Administrators in the Reporting Period; 28 March 2023 to 27 September 2023 (the "Reporting Period"). This report should be read in conjunction with our proposals dated 21 November 2022, and our previous report dated 27 March 2023.

The following appendices accompany this report:

Appendix A	Joint Administrators' Receipts and Payments Account
Appendix B	Joint Administrators' Statement of Expenses
Appendix C	Glossary of Terms

Joint Administrators' Actions Since Appointment

We set out in our Proposals the purpose of achieving the Administration which was achieving a better result for the Company creditors as a whole than would be likely if the Company were wound up (without first being in administration) and the steps to achieve that objective. The proposals were deemed approved on 1 December 2022.

The following actions have been undertaken since our appointment as Joint Administrators:

- Continued to market the Hotel and unoccupied Building for sale;
- Continued to liaise with insurers over insurance requirements;
- Instructed unoccupied building checks and removal of waste materials;
- Kept the secured creditor, ICG-Longbow Senior Secured UK Property Debt Investments Limited ("ICG") appraised;
- Obtained the refund of monies defrayed by the bank after the request was made to freeze the bank account;
- Identified and taken control of the physical books and records;
- Liaised with the directors in relation to the submission of the Statement of Affairs and their directors questionnaires;
- Completed our investigation into the affairs of the Company as required by Statement of Insolvency Practice 2 and establishing whether there are any viable actions that can be taken to recover funds for the benefit of creditors;
- Liaised with and wrote to the Company's pre-appointment bankers, Santander PLC ("Santander") to provide notice of our appointment and request certain information required for the Company;
- Liaised with our bankers, Santander in respect of opening new Administration bank accounts;
- Communicated with unsecured creditors regarding claims and enquires;
- Liaised with Greene King regarding the break clause issued on the now unoccupied property and the overpayment of rent;
- Instructed a surveyor to assess a dilapidations claim against Greene King;
- Secured the unoccupied premises;
- Prepared and filed our statutory notifications required following appointment;

Waterfront Southport Properties Limited- in Administration Sixth Month Progress Report dated 27 September 2023

- Drafted the Joint Administrators' Proposals which were deemed to be approved;
- Assisted, as far as we are able, in the collection and return of any third-party assets; and
- Sought clarification from the directors as to various entries in the management accounts.

The following further actions have been undertaken since the last sixth month progress report:

- We continue to have ongoing communication with the Hotel team to ensure bills are being correctly raised and paid.
- Prepared and circulated the first six-month progress report to members, creditors and Companies House.
- Received a completed and signed Statement of Affairs from the Company's directors and filed at Companies House.
- Instructed our internal tax colleagues to assist with completion of the post appointment VAT returns.
- Received consent from the preferential creditors and ICG, as the secured creditor to extend the period of Administration by a further one year. A Notice of Extension to the Period of Administration has been filed at Companies House. The Administration will now automatically end on 27 September 2024.
- Jointly engaged Christie & Co to remarket the property.
- We continue to meet with Savills on a weekly basis for updates on the sale.
- Liaised with potential buyers and Sefton Council as the freehold owner.

Joint Administrators' Receipts and Payments

A Receipts and payments account for the Reporting Period which we have reconciled to the financial records that we are required to maintain, is attached at Appendix A. A cumulative receipts and payments account covering the period since the start of Administration to the end of the Reporting Period is also provided.

We consider that the information provided in the Receipts and Payments account including the notes, gives a clear and informative explanation of the nature and amounts of the receipts and payments in the Reporting Period. The level of detail provided is appropriate to the circumstances of this appointment. However, if creditors have any queries, we will be happy to provide proportionate additional information.

We consider that the payments made in the Reporting Period are fair and reasonable and proportionate to the insolvency appointment. Details of significant expenditure and why this expenditure was incurred are explained in the report and in the notes to Appendix A.

Assets

We detailed in our Proposals the Company's assets which are predominantly the sale of the long-term leasehold property. This has been marketed for sale by Savills and we are in discussions with a number of parties as well as Sefton Council, the owner of the freehold. We have recently engaged Christie & Co jointly with Savills.

We have accepted two separate offers in the previous 12 months but have not been able to complete a sale on either occasion. Therefore the hotel remains on the market and was remarketed widely again at the end of September 2023.

Rent

Waterfront Southport Properties Limited- in Administration Sixth Month Progress Report dated 27 September 2023

In addition to the sale of the long leasehold, Greene King were in occupation in the now unoccupied building until it vacated in December 2022 having given notice on its break clause to bring it to an end on 16 February 2023. We have received rent from Greene King for the period to 16 February 2023 and have agreed a final position in respect of a dilapidations claim and the refund of overpaid rent.

Please note that rent was paid twice in December 2022 and also paid in advance to 24 March 2023. Therefore, a refund was made to Greene King for both the duplicate rent and the overpayment beyond the break clause date of 16 February 2023. This will reduce the amount of rent received shown in the receipts and payments account at Appendix A.

Cash at bank

To date we have realised £41,949 from the Company's pre-appointment bank account.

Creditors

Secured Creditors

As advised in our Proposals, the Company has one secured creditor, ICG who were granted fixed and floating charges on 22 February 2019 over the land and buildings known as Floral Hall Gardens, on the Northeast side of Marine Parade, Southport (title number: MS544921).

The Company and its subsidiary company, Waterfront Hotels (Southport) Limited gave cross guarantees to ICG and are therefore jointly liable for any balance owed to ICG. It should be noted that Waterfront Hotels (Southport) Limited is also in Administration and I am one of the Joint Administrators.

The Company records show that the amount jointly owed is £16,211,470.

The timing of any distribution will depend on the sale of the long leasehold.

Prescribed Part

As advised above, the charges to ICG were registered on 22 February 2019 and therefore the provisions of Section 176A of the Insolvency Act 1986 will apply, however, the estimated net property available to floating charge creditors is under the prescribed limit of £10,000 and no dividend to unsecured creditors will be made under the Prescribed Part.

Preferential Creditors

Employees are preferential creditors for outstanding holiday and arrears of wages to a cap of £800.

The Company did not have any employees and so there are no preferential creditors.

Secondary Preferential Creditor

As of 1 December 2020, HMRC regained its status as secondary preferential creditor in relation to certain amounts due including PAYE / Employee NIC, CIS and VAT.

The management accounts prepared to the date before Administration indicated that HMRC are owed £264k in respect of VAT. However, due to the challenges in identifying the true financial position, we cannot comment whether the above figure is accurate.

We previously advised that the Estimated Financial Position, based on the information taken from the management accounts prepared up to the date preceding the Administration indicated that HMRC's preferential claim was estimated at £264,000 in respect of PAYE, NIC and VAT. During the Reporting Period we received the directors Statement of Affairs which indicated that HMRC had a potential claim totalling £204,112.

To date we have received an interim claim from HMRC of £335,705 which ranks preferentially and will seek to request a final claim shortly.

Unsecured Creditors

As advised earlier in this report, we have not yet received the directors' Statement of Affairs and so do not have an accurate picture of the unsecured creditors position. The Company's management accounts prepared

to 27 September 2022 (the day before Administration) detailed there were estimated trade and expense creditors totalling £260,037. To the end of the Reporting Period, we have received 3 claims totalling £61,235.

Based on current information, we do not expect a dividend to be paid to unsecured creditors.

Compliance

We have, since our appointment complied with the requirement to notify creditors and other interested parties of our appointment including HMRC and filed the necessary documents with the Registrar of Companies, including Notice of Appointment and the Company's Statement of Affairs. We have also advertised our appointment in the London Gazette as required by statute. In addition, we have attended to case maintenance including set-up, statutory bonding, banking (including payments and receipts), record collection and periodic file and statutory bond reviews.

Investigation

We have a statutory duty to consider and report to the Department for Business, Energy and Industrial Strategy on the conduct of any person who had been, or acted as, a director of the Company in the three years proceeding our appointment. We are also obliged to consider whether any civil proceedings should be taken against the directors or others for the recovery of Company assets or contributions to its estate.

As advised in our first progress report, we can report that we have complied with our obligations under the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice 2.

We have not identified any claims which could be brought against directors or others to recover monies for the estate.

Joint Administrators' Remuneration

Pursuant to Rule 18.16 of the Insolvency (2016) Rules, the basis of our remuneration must be agreed with creditors (or a creditors' committee if one has been formed) as one or a combination of the following:

- A set amount;
- A percentage of the value of assets realised and percentage of the value of assets distributed; and/or
- By reference to time properly given by the Joint Administrators' and the Joint Administrators' staff in attending to matters arising in the Administration (time cost basis).

We have now sought approval from preferential creditors and consent from ICG as the secured creditor on 29 August 2023. The following resolutions were approved:

1. That a creditors' committee be established if sufficient votes are received.
Insufficient votes were received and a creditors' committee was not formed.
2. That the Administration period of the Company and the Joint Administrators' term of office be extended by one year by the consent of the secured creditor, and by a decision of the preferential creditors, to 27 September 2024.
3. The basis of the Joint Administrators' remuneration be agreed by reference to time costs, capped at 70% as set out in our fee request document dated 9 August 2023.
4. The Joint Administrators be authorised to draw Category 2 expenses as incurred.

We have incurred time costs in the Reporting Period of £53,225 plus VAT representing 148 hours at an average charge out rate of £359.63 per hour. We charge our time on specific time recording software in 6-minute increments.

Over the duration of the Administration, we have incurred time costs of £111,667 plus VAT representing 285 hours at an average charge out rate of £392 per hour.

Waterfront Southport Properties Limited- in Administration Sixth Month Progress Report dated 27 September 2023

The Joint Administrators' have reviewed the work undertaken and reported here and consider this level of costs to be appropriate bearing in mind the nature and complexity of the case.

Pre-Administration Costs

As stated in our Proposals, our pre-Administration costs total £4,678. These costs have not yet been drawn nor do we intend to draw them.

For more information on the Joint Administrators' charging policy please visit;
<https://www.jamescowperkreston.co.uk/downloads/information-to-creditors-with-regards-to-office-holders-remuneration-and-expenses-may22.pdf>

Further details about creditors' rights can be found in Statement of Insolvency Practice 9 which can be found at the following web address. The relevant version is April 2021.
<https://www.icaew.com/regulation/insolvency/sips-regulations-and-guidance/statements-of-insolvency-practice/statements-of-insolvency-practice-sips-england>

Professional Fees and Expenses

Professional Fees

Detailed at Appendix B and below are the professional advisors engaged and utilised since our appointment.

- Peter Moran Associates were engaged to provide a costed dilapidations survey and negotiate with Greene King in respect of a payment to cover the dilapidations cost. An amount of £1,550 has been paid to date.
- Humphrey & Gray were engaged to provide regular unoccupied building checks.
- Orbis Protect have been engaged as specialist vacant property services provider.
- Freeths LLP have been engaged as our legal advisors to provide advice in relation to Administration legal matters relating to the Property and other ad-hoc matters.
- Marsh Limited have been appointed as our insurance brokers to arrange insurance over in respect of assets and continued trading.
- Savills and Christie & Co are jointly engaged as sales agents for the hotel.

Joint Administrators' Expenses

During the course of the administration, we have incurred expenses, a summary of these are set out below.

Category 2	Billed £	Accrued £	Total £
Travel	-	231.49	231.49
Accommodation and Subsistence	-	246.42	246.42
	-	477.91	477.91
Total Expenses	-	477.91	477.91

All costs above are net of VAT where applicable.

The above expenses relate to travel costs (mileage charged at 45p per mile and reimbursed to staff in full) and accommodation. Category 2 expenses require creditor approval. We intend to seek approval from creditors to draw these costs in due course.

What remains to be done

The Administration will remain open until the following matters have been concluded:

- Complete a sale of the long leasehold property; and
- Pay a dividend to the secured creditor following the sale of the property.

Statutory Rights

Rule 18.9 of the Insolvency Rules 2016 entitles 5% in value of the unsecured creditors or any unsecured creditor with the permission of the court to make a written request to the Joint Administrators for further information about remuneration or expenses. In response to such a request the Joint Administrators' must respond within 14 days:-

- a) Providing all of the information requested;
- b) Providing some of the information requested; or
- c) Declining to provide the information requested

The Joint Administrators' may provide only some of the information or decline the request if:

- a) The time or cost of preparing the information would be excessive;
- b) Disclosure of the information would be prejudicial to the conduct of the case;
- c) Disclosure might reasonably be expected to lead to violence against any person; or
- d) The Joint Administrators are subject to an obligation of confidentiality in relation to the information.

If the Joint Administrators do not provide all of the information or decline to provide any of the information, they must inform the person or persons making the request of their reasons for so doing. A creditor, who need not be the same creditor(s) who requested the information may then apply to Court within 21 days of the following.

- a) The Joint Administrators giving reasons for not providing all of the information requested; or
- b) The expiry of the 14 days in which the Joint Administrators must respond.

The court may then make such order as it thinks just.

Rule 18.34 provides that an unsecured creditor with the concurrence of at least 10% of the total value of the unsecured creditors of the Company (or any unsecured creditor with the permission of the court) may apply to the court on the grounds that Joint Administrators' remuneration or expenses are excessive or the basis fixed for the remuneration is inappropriate. Such application must be made no later than eight weeks after receipt by the applicant creditor(s) of this progress report.

Further information for creditors is available at <http://www.creditorinsolvencyguide.co.uk/>

A hard copy of this report or the linked documents referred to in this report can be provided free of charge on request.

Privacy Policy

The office holders and James Cowper Kreston respect your right to privacy. As a requirement of the insolvency procedure, we may, in the course of our work, control or process personal data. Our privacy policy can be found at our website <https://www.jamescowperkreston.co.uk/privacy-policy/> and this details how we collect,

Waterfront Southport Properties Limited- in Administration
Sixth Month Progress Report dated 27 September 2023

use, share, protect, and retain personal information, what happens if we transfer information overseas, and your rights in relation to GDPR and the Data Protection Act 2018. If you wish to receive a hard copy of this privacy policy please let us know.

We are required to inform you that insolvency practitioners are bound by the Insolvency Code of Ethics.

Next Report and Enquiries

Should any creditor have a query regarding this report, please do not hesitate to contact my assistant, Sydney May, or me.

We will report to creditors as to our progress in approximately six months' time



Paul Davies
Joint Administrator

Licensed to act as an insolvency practitioner in the UK by the ICAEW

27 October 2023

The affairs, business and property of the Company are being managed by the Joint Administrators. The Joint Administrators act as agents of the Company and without personal liability.

Appendix A

**Joint Administrators' Receipts and Payments Account
From 28 March 2023 to 27 September 2023**

Waterfront Southport Properties Limited (formerly known as Bliss Hotels Limited)

Joint Administrators' Summary of Receipts and Payments

	Second Period	
	Fixed Charge	Floating Charge
	£	£
RECEIPTS		
Leasehold Land and Property	20,000.00	
Funding Received from Secured Creditor	300,000.00	
Rent		0.00
Service Charges	(963.5100)	
Council Tax Refund		1,305.91
Rent		360.00
Cash at Bank		42,309.36
	319,036.49	360.00
		364,806.42
PAYMENTS		
Heat, Light and Water		4,597.32
Agents/Valuers Fees	14,056.32	
Stationery & Postage		14.00
PR Agents Fees		100.00
Statutory Advertising		190.00
Bank Charges	0.40	2.20
Unauthorised Bank Payments		6,171.33
Legal Fees - Freeeths	8,000.00	
Specific Bond		144.00
Rent	5,794.70	
Accountancy Fees - SoA - SG LLP		1,750.00
	27,851.42	6,607.52
		50,129.83
Balances in Hand	291,185.07	(6,247.52)
	319,036.49	360.00
		364,806.42

Appendix B

Joint Administrators' Statement of Expenses
From 28 March 2023 to 27 September 2023

Account	Incurred In Period £	Accrued In Period £	Total In Period £
Joint Administrators' Fees	-	21,000.00	21,000.00
Joint Administrators' Expenses	-	487.01	487.01
Insurance of Assets	-	130,101.16	130,101.16
Rent	55,605.24	-	55,605.24
Service Charges	963.51	-	963.51
Legal Fees	8,000.00	-	8,000.00
Agents/Valuers Fees	14,056.32	-	14,056.32
Bank charges	0.40	-	0.40
Specific Bond	144.00	-	144.00
Statement of Affairs Fee	1,750.00	-	1,750.00
Stationery & Postage	14.00	-	14.00
PR Agents Fees	100.00	-	100.00
Bank charges	7.60	-	7.60
	<u>80,641.07</u>	<u>151,588.17</u>	<u>232,229.24</u>

Appendix C

Classification of Work Function	Hours					Total Hours	Time Cost	Av hourly Rate
	Partner	Manager	Senior	Assistant	Support			
							£	£
Administration and Planning								
Administration and planning	1.40	1.10		0.20		2.70	1,190.50	440.93
Bonding		0.10				0.10	31.00	310.00
File reviews	0.50	1.60				2.10	788.00	375.24
Planning and strategy	0.10	0.10		0.40		0.60	152.00	253.33
Statement of Affairs		3.30		0.10		3.40	1,035.50	304.56
Statutory reporting	0.50	0.50		0.20		1.20	481.00	400.83
Appointment notification				0.80		0.80	124.00	155.00
Set up	0.20					0.20	102.00	510.00
Taxes Post Appointment	1.20	0.60			0.40	2.20	1,081.00	491.36
Accounting - Other	0.10	6.40		1.00	20.00	27.50	5,172.00	188.07
Realisation of Assets								
Assets - Other	0.20					0.20	118.00	590.00
Assets - Property	10.70	0.50				11.20	6,381.00	569.73
Assets - Sale of business	15.30					15.30	8,928.00	583.53
Insuring	1.90					1.90	1,118.00	588.42
Trading								
Trading	0.20	0.40		0.20		0.80	273.00	341.25
Accounting - trading	0.10	8.70		17.30		26.10	5,374.50	205.92
Employee - trading				1.00		1.00	155.00	155.00
Creditors								
Creditors - Preferential		0.70				0.70	217.00	310.00
Creditors - secured	15.10					15.10	8,813.00	583.64
Reporting to members and creditors	6.80	22.10	0.30	3.00		32.20	11,110.50	345.05
Creditors Unsecured	0.10			1.80		1.90	338.00	177.89
Case Specific Matters								
Case specific	0.20			0.20		0.40	149.00	372.50
		0.20			0.20	0.40	93.00	232.50
Total Hours /Costs	54.60	46.30	0.30	26.20	20.60	148.00	53,225.00	359.63
Total Fees Claimed (£)							0.00	

Waterfront Southport Properties Limited- in Administration Sixth Month Progress Report dated 27 September 2023

Appendix C

Joint Administrators' Summary of Time Costs From 28 September 2022 to 27 September 2023

Classification of Work	Hours					Total	Time	Av hourly
Function	Partner	Manager	Senior	Assistant	Support	Hours	Cost	Rate
							£	£
Administration and Planning								
Administration and planning	6.90	1.10		0.20		8.20	4,270.50	520.79
Bonding		0.10				0.10	31.00	310.00
Planning and strategy	0.10	0.10		0.40		0.60	152.00	253.33
Appointment notification				1.60		1.60	228.00	142.50
File reviews	4.70	5.40		0.90		11.00	4,363.00	396.64
Set up	0.50			0.80		1.30	351.50	270.38
Taxes Post Appointment	1.40	0.70		0.50	0.40	3.00	1,287.50	429.17
Statutory reporting	5.30	0.50	0.10	3.10		9.00	3,567.00	396.33
Records				0.50		0.50	65.00	130.00
Statement of Affairs	0.10	3.50		0.10		3.70	1,143.00	308.92
Accounting - Other	0.40	9.90	0.10	1.00	32.40	43.80	7,983.00	182.26
Investigations								
Directors investigation	0.50	3.70		0.10		4.30	1,384.50	321.98
Directors SIP2 review		0.30				0.30	88.50	295.00
Directors SIP4 CDDA checklist completion		1.20				1.20	354.00	295.00
Realisation of Assets								
Assets - Other	1.90	0.60				2.50	1,247.00	498.80
Assets - P&M	0.30	0.50				0.80	315.50	394.37
Assets - Property	25.10	2.50				27.60	15,035.00	544.75
Assets - Sale of business	41.80	0.40				42.20	23,886.00	566.02
Insuring	8.00	2.20				10.20	5,183.00	508.14
Legal correspondence re asset sales	0.20					0.20	112.00	560.00
Trading								
Trading	1.40	5.40		2.20		9.00	2,680.00	297.78
Accounting - trading	0.30	12.00		17.30		29.60	6,460.00	218.24
Employee - trading				1.00		1.00	155.00	155.00
Creditors								
Creditors - Preferential		0.70				0.70	217.00	310.00
Creditors - secured	25.00					25.00	14,357.00	574.28
Reporting to members and creditors	8.10	23.20	0.50	3.00		34.80	12,205.00	350.72
Creditors Unsecured	0.20	0.10		5.80		6.10	943.50	154.67
Case Specific Matters								
Case specific	6.20	0.20		0.20	0.20	6.40	3,509.00	548.28
Total Hours /Costs	138.40	74.30	0.70	38.70	33.00	285.10	111,666.50	391.67
Total Fees Claimed (£)							0.00	

Administration

Appendix D Glossary of terms

Most clients, quite naturally, will not have heard of many of the terms associated with business restructuring and insolvency. Our glossary seeks to explain many common technical and financial terms.

Administration

Is a formal insolvency procedure available to a company or a partnership and is instigated with the objective of either, rescuing the company, achieving a better result than on a winding up or to realising funds to pay preferential or secured creditors.

Administrator

Is a licensed insolvency practitioner (IP) who is an officer of the court and acts as an agent to deal with the affairs of a company in administration. An administrator can be appointed by the court, directors, shareholders or a qualifying floating charge holder (normally a bank).

Charge

Security taken over property by a creditor to protect against non-payment of a debt (such as a mortgage).

Company Directors Disqualification Act 1986 (CDDA 1986)

Sets out the grounds under which the disqualification of a director might be sought

Contributory

Creditor

Someone who is owed money by an insolvent company or individual.

Debenture

A document in writing, usually under seal, issued as evidence of a debt or the granting of security for a loan of a fixed sum and interest. The term is often used in relation to loans (usually from banks) secured by charges, including floating charges, over a company's assets.

Dividend

Any sum distributed to unsecured creditors in an insolvency.

Fixed charge

Is a charge held over specific assets. The company cannot sell the assets without the consent of the secured creditor or repaying the amount secured by the charge.

Floating charge

Is a charge held over general assets of a company. The assets may change (such as stock) and the company can use the assets without the consent of the secured creditor until the charge 'crystallises' (becomes fixed).

GDPR

The General Data Protection Regulation.

Guarantee

Is an agreement to pay a debt owed by a third party. It must be evidenced in writing for it to be enforceable.

Insolvency

Is defined as having greater liabilities than assets or being unable to pay debts when they fall due or both.

Insolvency Act 1986

Legislation introduced to consolidate insolvency law and procedures. Other major legislation in this area is contained in the Enterprise Act.

Insolvency Rules 2016

The Insolvency (England and Wales) Rules 2016, set out the detailed procedures for the conduct of all company and personal proceedings in England and Wales under the Insolvency Act.

Insolvency Practitioner

An authorised person who specialises in insolvency, usually an accountant or solicitor. They are authorised either by the Secretary of State or by one of a number of recognised professional bodies.

Liquidation (winding up)

Applies to companies or partnerships. It involves the realisation and distribution of the assets and usually the closing down of the business. There are three types of liquidation - compulsory, creditors voluntary and members voluntary.

Liquidator

The Official Receiver or an Insolvency Practitioner appointed to administer the liquidation of a company or partnership.

London Gazette

Official publication of the Government, which contains legal notices.

Member (of a company)

A person who has agreed to be, and is registered as, a member, such as a shareholder of a limited company.

Officer (of a company)

A director or secretary of a company.

Preferential Creditor

A creditor in insolvency proceedings who is entitled to receive certain payments in priority to other unsecured creditors. These creditors include occupational pension schemes and certain employee claims.

Secondary Preferential Creditor

On 1 December 2020, HMRC regained its status as a preferential creditor. HMRC are ranked as secondary preferential creditor in respect of VAT, PAYE, NIC and CIS deductions and are paid after certain employee claims and pensions schemes but ahead of unsecured creditors.

Proof of Debt

Statutory form completed by a creditor in an insolvency procedure to state how much is claimed. The form is supplied by the Administrator.

Proxy

Instead of attending a meeting, a person can appoint someone to go and vote in their place.

Proxy Form

Form which must be completed if a creditor wishes someone else to represent him or her at a creditors meeting and vote on his or her behalf.

Release

The process by which the Official Receiver or an Insolvency Practitioner is discharged from the liabilities of office as trustee, liquidator or administrator.

Secured Creditor

Creditor who holds security, such as a mortgage, over a person's assets for money owed.

Shadow Director

A person who, without being formally appointed, gives instructions on which the directors of a company are accustomed to act.

Statement of Insolvency Practice

The purpose of Statements of Insolvency Practice is to promote and maintain high standards by setting out required practice and harmonising the approach of Insolvency Practitioners to particular aspects of insolvency practice. They apply in parallel to the prevailing statutory framework.

Statement of Insolvency Practice 2

Deals specifically with the investigations of an office holder in Administration or Insolvent Liquidation.

Statement of Insolvency Practice 6

Deals specifically with deemed consent and decision procedures in insolvency proceedings.

Statement of Insolvency Practice 9

Deals specifically with the payments to insolvency office holders and their associates from an estate.

Statement of Insolvency Practice 13

Deals specifically with the disposal of assets to connected parties in an insolvency process.

Statement of Insolvency Practice 16

Deals specifically with pre-packaged sales in company Administrations.

Statement of Affairs

Document signed by the company's director stating the assets and giving details of debts and creditors.

TUPE – Transfer of Undertakings (Protection of Employment) Regulations

A transfer of an employee or employees to a new company. Terms of original employment transfer and continuity of employment is maintained.

Unsecured Creditor

A creditor who does not hold security (such as a mortgage) for money owed. Some unsecured creditors may also be preferential creditors.

Voluntary Liquidation

Method of liquidation not involving the courts or the Official Receiver. There are two types of voluntary liquidation - Members' Voluntary Liquidation for solvent companies and Creditors' Voluntary Liquidation for insolvent companies.