



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

1 Company details

Company number 08124207

Company name in full Signature Living Hotel Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Matthew

Surname Ingram

3 Administrator's address

Building name/number Kroll Advisory Limited

Street 35 Newhall Street

Post town Birmingham

County/Region Birmingham

Postcode B33PU

Country England

4 Administrator's name ①

Full forename(s) Michael

Surname Lennon

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Kroll Advisory Limited

Street The Chancery

58 Spring Gardens

Post town Manchester

County/Region Greater Manchester

Postcode M21EW

Country England

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 1	^d 5	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0
To date	^d 1	^d 4	^m 0	^m 4	^y 2	^y 0	^y 2	^y 1

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 1	^d 4	^m 0	^m 5	^y 2	^y 0	^y 2	^y 1
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**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 Daniel Ryan

Company name Kroll Advisory Limited

Address The Chancery

58 Spring Gardens

Post town Manchester

County/Region Greater Manchester

Postcode M 2 1 E W

Country England

DX

Telephone 0161 827 9000

**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.

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Progress Report to Creditors

Signature Living Hotel Limited (In Administration)

14 May 2021

*Joint Administrators' Progress Report to Creditors
For the period from 15 October 2020 to 14 April 2021*

Kroll Advisory Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW

Duff & Phelps rebranded as Kroll in February 2021. Insolvency cases handled by insolvency practitioners from Kroll Advisory Ltd. are still being dealt with in the same way, by the same insolvency practitioners and staff within Duff & Phelps Ltd. However, our staff email addresses are now from kroll.com and in time our correspondence will reflect the Kroll branding.

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1. Introduction

The Joint Administrators were appointed on 15 April 2020 by an order of the High Court of Justice, Business and Property Courts of England and Wales. Court reference 002191 of 2020. The application to the Court was made by the holder of a qualifying floating charge, pursuant to Paragraph 14 of the Act.

This Progress Report provides an update on the Administration of the Company. It should be read in conjunction with the Joint Administrators' Previous Progress Report and the Statement of Proposals.

The Joint Administrators' have also explained their future strategy for the Administration and how likely it is that they will be able to pay each class of creditor.

An extension has been granted by an Order in the County Court on 9 April 2021 for the Administration to be extended by a further period of 2 years to 15 April 2023.

You will find other important information in this Progress Report such as the costs the Joint Administrators have incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

Please also note that an important legal notice about this Progress Report to Creditors is attached at Appendix 9.

2. Creditor summary

This Progress Report covers the Reporting Period.

Summary of Proposals

A summary of the Proposals is included at Appendix 2. A copy of the Statement of Proposals is available on the Duff & Phelps t/a Kroll website at <http://www.duffandphelps.com/ukrestructuring>.

In the Statement of Proposals, the Joint Administrators set out the following hierarchical objectives:

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

The Joint Administrators' Proposals for achieving the purpose of the Administration, namely achieving a better result for a Company's creditors as a whole than would be likely if a Company were wound up, were deemed approved by Creditors on 16 June 2020 without modifications.

The first objective will not be achieved as there are insufficient funds and assets available to enable the Company to be rescued as a going concern.

Despite the Company's shareholdings and property interests, the level of secured and unsecured indebtedness to which the Company is directly and indirectly liable, significantly outweighs the initial expectations of the value of the Company's direct and indirect assets.

It is believed that the second objective will be achieved as the Administration provides protection to the Company's assets and provides a platform from which a realisation strategy can be implemented to maximise the value of the assets, which includes the freehold property of the Shankly Hotel in Liverpool, that otherwise may not be available should the Company have been wound up.

In addition, it is also expected that the third objective will be achieved as the Joint Administrators anticipate that a distribution will be made to one or more of the Secured and Preferential Creditors of the Company via the realisation of certain freehold and leasehold property interests, tangible and intangible assets.

Progress to date

Through their role as Joint Administrators of both the Company and SSL, lines of communication were established with the Group's retail investors / BPRA scheme representatives and other secured lenders to ensure information could be passed to the Joint Administrators in a timely manner and parties were made aware of the appointment.

As part of an initial review it was found that the shares held by the Company in over 60 subsidiary entities had been transferred to a new legal entity that had been set up by the Director to replace the Company as the ultimate parent of the wider Group.

After discussions with the Director, and following legal and tax advice, these transfers were reversed, and the Company has resumed its role as the ultimate shareholder of the majority of the entities in the wider Signature Group.

COVID-19 restrictions have caused unavoidable delays with a number of developments in the group. The Joint Administrators continue to monitor the status of each entity and ongoing property developments to establish whether repayment of loans to retail investors, where the Company acts as the guarantor, will be forthcoming in the future following a sale or refinance of the properties in question.

The Joint Administrators have undertaken extensive analysis and investigations in Company's various shareholdings and intercompany and related party debtors and have identified a number of outstanding loans due to the Company. Letters of demand have been issued to a number of connected and intercompany debtors and recovery action is ongoing.

A sale of the freehold title to Cotton Street and Carlton Street for combined sale consideration of £500,000, completed outside of the Reporting Period. The net proceeds of £261,780 were received into the Administration estate on 20 April 2021.

The Joint Administrators have formally instructed the Agents to take steps to bring the Shankly Hotel to the open market as soon as possible.

The Joint Administrators continue to investigate and review the Company's books and records in order to establish whether there are any additional assets owned by the Company which can be realised for the benefit of the estate.

Outcome for Creditors

It is currently anticipated that there will be sufficient realisations to enable a distribution to one or more of the Secured Creditors.

Based on current information, it is anticipated there may be sufficient realisations to enable a distribution to the preferential creditors.

According to the Company's records, the unsecured creditors totalled £4,184,002 at the Appointment Date.

In addition, the contingent unsecured retail creditors were initially estimated at £10,000,000. Claims received to date are in excess of £16,000,000, although it has been established that the potential, contingent liability is in excess of £40,000,000.

This contingent liability relates to corporate guarantees granted by the Company for unsecured loans advanced by retail investors in the Signature Capital Investments structure which were on lent via the Company to other entities within the Signature Group to assist with development funding or ongoing operational expenses.

There are also intercompany and related party creditors of £96,023,017, the balances of which are subject to an ongoing review.

It is currently anticipated that there will not be sufficient realisations to enable a dividend to unsecured creditors other than by virtue of the Prescribed Part, which is yet to be determined.

Please note, this Progress Report provides Creditors with an account of the progress of the Administration of the Company in the Reporting Period. The Joint Administrators' Statement of Proposals and Previous Progress Report are available to view at <http://www.duffandphelps.com/ukrestructuring>, and paper copies can be provided free of charge by writing to Callum O'Brien at Callum.O'Brien@kroll.com. Unless otherwise stated, all amounts in this Progress Report and appendices are stated net of VAT.

3. Progress of the Administration

This section provides an update on the Joint Administrators' strategy for the Administration and progress to date.

3.1 Asset realisations

Realisations during the Reporting Period are set out in the attached Receipts and Payments Account at Appendix 3.

Summaries of the progress in relation to ongoing realisations during the Administration are provided below:

3.1.1 Trading

The trading operations of the wider Group were suspended due to the COVID-19 restrictions implemented by the UK Government on 23 March 2020.

A number of the Company's freehold and leasehold property assets recommenced trading in July 2020 and opened and closed intermittently, following various national and local government lockdowns and restrictions, up to November 2020.

Subject to the proposed easing of government restrictions, it is expected that a number of these property assets will recommence trading on 17 May 2021.

The Company provided head office and support services to the operational companies within the Group and, as far as the Joint Administrators are aware, did not carry out any direct trading of any hotel or property assets.

In its role as a central support function, the Company had 176 employees. Please refer to the Previous Progress Report for details on redundancies and employees that transferred under TUPE to other entities in the Group.

The Joint Administrators retained three employees to assist with the ongoing Administration. During the Reporting Period, this has been reduced to two with the other employee resigning in the Reporting Period.

As shown in Appendix 3, receipts totalling £62,983 in the Reporting Period are in relation to funds received from HMRC in respect of the job retention furlough scheme and management recharges to cover the wages of ex-employees and the two retained employees in the Reporting Period.

Costs in the Reporting Period in respect of the trading account total £59,253, resulting in a surplus of £3,730.

The cumulative surplus of £29,203 will be utilised to discharge outstanding pension contributions.

3.1.2 The Shankly Hotel Freehold

As previously reported, the Company owns the freehold title to the Shankly Hotel in Liverpool and has granted a long leasehold interest in the property to SSL, which includes the fixtures, fittings, furniture and equipment in the Hotel.

Further details on the other leasehold interests in the Hotel, granted by Company, are included in the Proposals and the Previous Progress Report.

The day to day operations of the Hotel are managed by SHLO under a Right to Manage Agreement. This includes the relationship with the Hotel customers for all bookings and suppliers. In addition, SHLO employs all the Hotel staff.

SHLO recommenced trading of the Hotel in July 2020 and opened and closed intermittently, following various national and local government lockdowns and restrictions, up to November 2020.

Based on current government guidance, it is expected that restrictions on the hospitality industry will be sufficiently eased on 17 May 2021 which will enable the Hotel to recommence trading. The Hotel has continued to re-arrange previous and take new bookings and are preparing for the re-opening of the Hotel at the end of May 2021.

Due to the ongoing COVID-19 pandemic and localised and national restrictions, the mid to long term trading performance of the Hotel and hospitality sector in general, has been unpredictable.

As outlined in previous reports, there a number of stakeholders in the Hotel, which includes secured creditors, connected long leasehold interests, bedroom investors and BPRA investors. Due to the complexities of the various interests in the Hotel and the COVID-19 pandemic unavoidable delays in preparing the Hotel for sale have been experienced.

During the Reporting Period, the Joint Administrators have formally engaged the Agents to assist in the collation of information into a data room for interested parties, undertake pre-marketing due-diligence on property and compliance matters and prepare marketing literature such as adverts and brochures.

The Joint Administrators and the Agents are at an advanced stage in the pre-marketing due diligence and therefore, the Hotel will be brought to the open market as soon as possible.

A further update will be provided in the next report to Creditors.

Bedroom Investors

Please refer to the Previous Progress Report for a detailed explanation of the position in respect of bedroom investors.

The bedroom investors are a key stakeholder in the Hotel due to their leasehold interests in bedrooms. At this stage it is too early to predict the likely outcome in the Administration for the bedroom investors; however, the Joint Administrators are duty bound to realise best value for the Hotel for the benefit of all stakeholders and creditors, including bedroom investors.

The Joint Administrators have been made aware of direct approaches to bedroom investors from a third-party, which includes an offer to purchase their leasehold interest.

Individual investors are free to discuss any proposal specific to their leasehold interest and investment with a third party, however, the Company is not party to any discussions in this regard. Third parties are not acting under any authority from the Company or the Joint Administrators.

The Company can still complete a sale of the Hotel in the event a bedroom investor has sold their leasehold interest to a third party, as a result of the Company's and leaseholders contractual right to compel an investor or third party, to sell their leasehold interest in bedrooms back to the Company (under call and put options). In its capacity as landlord, maintaining the contractual rights under call and put options will be a condition of the Company's consent being granted to the assignment of any leasehold interests.

Further details will be provided in the next report, or sooner, should there be material developments in the meantime.

BPRA

Further details of the BPRA scheme were included in the Proposals and the Previous Progress Report.

The Shankly LLP leasehold interest in the common areas of the Hotel form an integral part of the realisation strategy in the Hotel and negotiations are at advanced stage with the Shankly LLP in this regard.

A further update will be provided in the next report to creditors.

Retail Investors

The Company acted as corporate guarantor on all loans advanced to Signature Capital Investments Limited and connected entities, with each agreement linked to an ongoing property development within the Signature Group. The Company is not a shareholder in any of the Signature Capital Investment entities and is only connected by way of common director and shareholder.

All loans with retail investors relate to monies provided to Signature Capital Investments entities that are not subject to insolvency proceedings or are linked to property development schemes that fall outside of the scope of this Administration process.

In the first instance, retail investors have been advised to seek repayment of amounts that are due and payable from the Signature entity that the investment or loan agreement is with.

COVID-19 restrictions have caused unavoidable delays with a number of property developments and loan redemption dates have passed as a result. The Joint Administrators are continuing to monitor the status of each property development in order to identify whether any of the outstanding loans will be repaid in the future following either a restructure of the entities that own certain properties; or via a sale or refinance of secured debt.

The following properties are subject to secured debt and not subject to insolvency proceedings:

- Bankfield, Residential
- Shankly Hotel Preston
- Dixie Dean Hotel, Liverpool
- Alma De Cuba, Liverpool
- Loyola Hall, Liverpool
- Waring, Belfast
- Arthouse Square, Liverpool

The following properties are subject to secured debt where third party Administrators, Liquidators and Receivers are appointed over the relevant group entities and properties as follows:

- Old Hall and Victoria Mill – In Administration
- 30 James Street – In Administration & Receivership
- Exchange Hotel, Cardiff – In Liquidation
- Cavern Walks, Liverpool – In Receivership
- Bling Bling Building, Liverpool – In Receivership (Sold)
- Stanley Street Hotel, Liverpool – in Receivership

The Joint Administrators are continuing to make enquiries with the various Administrators and Receivers to understand their strategy, marketing timescales and estimated realisations. In addition, the Administrators have written to all secured creditors requesting details of their outstanding debt, now and projected; and whether they believe they will suffer a shortfall or be repaid in full.

The Joint Administrators are trying to establish whether a sale or refinance of the various property assets will settle all liabilities in the respective entities and whether funds will be available to the Company as shareholder, or possibly from a dividend being paid to the Company as an unsecured creditor due to a intercompany debt.

It is noted there is likely to be a dilution in value of properties in general following COVID-19 and therefore it is envisaged it will take time for property values to return to pre-COVID levels which may impact on the ability of the Company to receive any benefit from the sale or refinance of certain properties.

Purported CVA proposal

In the Previous Reporting Period, the Administrators were made aware the Director of the Company was in discussions with a group of retail investors with a view to working together to formulate a restructuring plan across the Signature Group. Certain investors have been appointed directors of UKAG, a company chaired by the Director and we have been informed that UKAG represents approximately 95% of the wider SCIL investors.

During the Reporting Period, the Director and UKAG approached the Joint Administrators to discuss how the Administration of the Company and other Signature entities subject to insolvency proceedings could be brought to an end.

In March 2021, the Administrators received what was purported to be a CVA proposal but after a brief review it was concluded the proposal was no more than a proof of concept document outlining a series of secured debt refinances. The focus was primarily on property assets around the group, rather than the financial position of each entity that owns the property assets, including all of its key stakeholders and creditors. Constructive feedback was provided to the Director and UKAG on the proposal.

A CVA is a formal procedure under the Insolvency Act which enables a company to agree with its creditors, under the supervision of Licensed Insolvency Practitioners, a scheme of arrangement of the Company's affairs or a composition in full and final satisfaction of the Company's unsecured debts.

The proposal included a number of signature property assets that are owned by entities that are outside of the Joint Administrators control. It included entities that are in insolvency processes with other Insolvency Practitioners and LPA Receivers, in addition to including property assets owned by Signature entities that are not currently subject to insolvency proceedings.

It was not clear from the proposal whether the current secured lenders across the Signature Group have been approached in respect of the refinancing plans or whether the proposed incoming lenders have provided credit approved offers of funding that the existing secured lenders would find acceptable.

It was noted the outstanding secured debt stated in the proposal for each of the secured lenders was inconsistent with the amounts the Joint Administrators understood to be owed. It should be noted, secured lenders would not be bound by a CVA proposal, if approved, and therefore, the support to any such proposal should be sought from secured lenders ahead of putting forward a proposal to unsecured creditors in the relevant entities.

The Signature Group and entities connected by way of common director and shareholding, is made up of approximately 80 entities encompassing various purposes. A viable CVA proposal in each entity will require a large number of advisors, stakeholders, secured and unsecured creditors to agree with any such proposal.

Unfortunately, the Administrators are not able to comment further on the proof of concept document as, in its current form, it includes companies outside of our control and is primarily a proposal focused on refinancing secured debt across the wider group, rather than one which takes into account all of the assets, liabilities and financial position of the relevant entities that may be subject to a CVA proposal.

The Administrators may receive an updated proposal in respect of the Company in due course but at this stage the Director and UKAG have taken it away to revisit. Should a further variation of the proposal be received it will again be considered.

However, any proposal would need significant input and review by the Joint Administrators and an increased level of time costs will be incurred as a result. The Joint Administrators' initial fee estimate issued on 10 June 2020 has not yet been approved and therefore the Joint Administrators' would need to seek approval to the original fee estimate and any uplift in time costs in respect of the CVA work before engaging with the Director and UKAG.

Nevertheless, the Joint Administrators continue to work with their appointed advisors to finalise and implement the strategy to bring the property assets under their control to the open market at the appropriate time.

The sale of any individual property asset does not impact UKAG's ability to propose a CVA for consideration by the Joint Administrators. The proceeds of any sale will be used to discharge the directly secured debt in relation to the specific property asset.

The Joint Administrators would advise the retail investors that they are free to discuss any proposal specific to their investment with third parties, however, the Joint Administrators have not authorised any third party to hold discussions on their behalf.

A further update will be provided in the next progress report to creditors.

3.1.3 West Africa House

In January 2016, the Company acquired the long leasehold interest in West Africa House in Liverpool which includes a bar and a number of luxury residential apartments.

The Company granted a 15-year lease to GS Events Management Limited on 13 June 2013 who trade from the ground floor and mezzanine as a tearoom and bar called Oh Me Oh My.

The Company granted a 15-year lease to GS Events Terrace Limited on 22 December 2014 who trade from the roof top bar as Goodness Gracious.

The rent payable under the underlease is equivalent to the rent payable on the long leasehold interest and is demanded from the tenant and paid direct to the landlord.

During the previous reporting period, the tenant paid rent of £13,333 and this was subsequently paid in full directly to the landlord on the same date by the Agents. This is reflected in the cumulative Receipts and Payments Account at Appendix 3.

The Joint Administrators are in the process of requesting a voluntary surrender from the landlord on the basis there is no value in the long leasehold and therefore no benefit to the Administration estate. To date, a surrender is yet to be agreed with the landlord.

A further update will be provided in the next progress report to creditors.

3.1.4 Daniel House

The Company owns the freehold interest to Daniel House which is a residential apartment development.

The freehold property has 168 apartments and buyers were granted a 250-year lease. The Company sold the apartments on the basis of assured rents over a period of three years.

It is the Joint Administrators' understanding there are number of tenants that have assured rent arrears, although the assured rental agreement periods have expired for all of leaseholders.

In addition, the Company has granted long leases in respect of the roof top bar, retail unit and the car park. The granting of the leases is subject to ongoing enquiries.

The passing ground rents are £33,600 per annum, with a rent review every five years.

As with the Shankly Hotel, there is a BPRA scheme in place and the Company has granted a 999 year lease commencing 14 December 2017 to Daniel House Refurbishment LLP and there is an underlease granted by Daniel House Refurbishment LLP to Signature Campus Limited for a period of five years, which expired on 28 September 2020. The leases relate to the common parts in the building.

Daniel House Refurbishment LLP appointed Liquidators on the 24 September 2020 on the basis they were unable to repay an underwriting loan of £1,686,677, due to be paid to the Company on 28 September 2020.

Hope Capital held security over the property against a loan of c£160,000, at the date of appointment. Hope appointed Fixed Charge Receivers over Daniel House. Shortly after their appointment they resigned, following an assignment of Hope Capital's debt and security to Investments West Derby Limited.

The director of Investments West Derby Limited currently manages the property under the entity Daniel House Client Account Limited. There is no formal management agreement in place between the Company and the Daniel House Client Account Limited or any other entity controlled by the director, connected to Daniel House.

There are several ongoing service charge disputes between the leaseholders and Daniel House Client Account Limited. The Administrators are assisting the leaseholders in this regard and have requested further information from the Director of Daniel House Client Accountant Limited to assist in their ongoing enquiries.

The Joint Administrators continue to investigate ongoing leaseholder disputes, the granting of various long leasehold interests in certain parts of the building, including the lease granted to Daniel House Refurbishment LLP (in Liquidation), with a view to bringing the freehold property to the open market.

There is a legal obligation on a landlord to serve the Section 5A notice to leaseholders before they sell on the open market. This is called the right to first refusal.

As part of this process, the Joint Administrators are taking advice from property agents in respect of the value of the freehold and whether the right course of action would be to sell by private treaty or auction. If it is by private treaty, leaseholders will be given a minimum of 2 months' notice to purchase the freehold and if it to be placed into an auction, the notice period is a minimum of 4 months' notice. This process requires 50% of qualifying leaseholders to take up the option of purchasing the freehold.

It is envisaged the Section 5A notices will be served on qualifying leaseholders in the next 2 to 6 weeks, with a view to placing the property into auction in September or October. This is subject to the Administrators taking further legal advice on outstanding enquiries in respect of the freehold title which is currently split into both residential and commercial parts.

A further update will be provided in the next progress report to creditors.

3.1.5 Cotton Street & Carlton Street

The Company owned the freehold title to Cotton Street which was previously occupied by a charity. The charity has recently found alternative premises and vacated the property.

A sale by LPA Receiver of the freehold title of both Cotton Street and Carlton Street was completed outside of the Reporting Period on 15 April 2021, for total consideration of £500,000.

This has resulted in a surplus to the Administration estate, after Receivers costs, costs of sale and repayment of secured debt, totalling £266,807.

As the sale completed outside of the Reporting Period, the transaction is not reflected in the Receipts and Payments Account at Appendix 3.

No further realisations will be made in this regard.

3.1.6 SLG Cruise Limited / MV Funchal

The Company had an indirect interest in a cruise liner, MV Funchal, which is currently moored in Lisbon, Portugal. Further details regarding the Company's interest in the vessel were provided in the Proposals.

SLG Cruise Limited has disposed of the vessel resulting in a shortfall to Albenden of £340,693 resulting in no surplus to the Administration estate.

3.1.7 Group Companies, Shareholding and Debtors

The Company owns the shares in over 60 Signature Group entities.

Further details regarding the Company's shareholding in other Group entities were provided in the Proposals.

According to the Company's books and records, the outstanding debts due to the Company in respect of trade debtors and other debtors, including prepayments and accrued income was stated as £25,274,208, although it has not been possible to reconcile this balance against the financial records of the Company.

At the Appointment Date, the Company's records showed intercompany and related party debtor balances of circa £63,357,939 due from other entities within the group and related parties, with corresponding intercompany and related party creditor balances totalling £92,735,374.

Due to the complexities of the group structure, the Administrators have undertaken extensive investigations in the financial position of the Company and connected entities with particular attention paid to the reconciliation of the intercompany loan position around the Signature Group.

The Administrators have been analysing the Company's books and records, in addition to working with the senior management team within the group, in preparing updated balance sheets for each entity and reconciling the position in relation to the intercompany debtors and intercompany creditors.

Following this exercise, demand letters have been issued to 36 companies in the Signature Group, including entities connected to Signature by way of common director or shareholding, seeking proposals for the repayment of intercompany loan debtors totalling £90,050,936.

It should be noted, there are 25 entities in the Signature Group, including entities connected by way of common director and shareholder, that have creditor balances with estimated claims against the Company of £96,023,017. These balances will need to be considered as part of any proposed CVA.

A further update will be provided in the next progress report to Creditors.

3.1.8 Directors Loan Account and Connected Party Transactions

The Joint Administrators have identified loans to current and former directors and connected parties totalling £1,211,699. Letters have been issued to the current and former directors and the connected parties seeking proposals for repayment of the loans.

There are a number of other transactions with entities outside of the Signature Group that are subject to ongoing investigations.

A further update on this will be provided in the Joint Administrators' next progress report to creditors.

3.1.9 The Coal Exchange Hotel LLP Underwriting Loan

The Company has provided an underwriting loan of c£8,600,000 in respect of the development of the Coal Exchange Hotel.

The Administrators are in discussions with The Coal Exchange LLP in relation to this loan, which would be due for repayment in six to seven years if the hotel reaches practical completion.

Due to the current incomplete status of the hotel, there is no fixed repayment date for the loan and there are unlikely to be any realisations unless the hotel is finished at a considerable cost.

The Company is the developer of this hotel and is still subject to various unsecured damages claims for non-performance, guaranteed rent arrears and monies that were paid to the Company to be used for the development that have been utilised elsewhere around the Group. This liability is yet to be quantified.

Discussions are ongoing with The Coal Exchange LLP and a further update will be provided in the next progress report to creditors.

3.1.10 Management charge income

The Company received funds totalling £57,341 during the Reporting Period to cover wages for employees that are utilised around the wider Signature Group.

3.1.11 Cash at bank

As at the Appointment Date, the Joint Administrators were aware that the Company had cash at bank of £16,221 which was held at Santander. The Company also previously operated an account with Lloyds which had cash at bank of £116. Both sums were transferred to the Administration estate soon after appointment.

During the Reporting Period, further cash at bank of £21,134 has been transferred over to the Administration estate.

3.1.12 Other assets

The Joint Administrators are continuing to investigate whether there are any additional assets that can be realised for the benefit of the Administration.

3.1.13 Investigations

The Joint Administrators have a statutory obligation to file a report with the Insolvency Service regarding the conduct of all directors that held office in the three years prior to the Administration. This report must be filed within three months of the Appointment Date and the content of this report is confidential.

The report was due to be submitted to the DBEIS by 14 July 2020, however this deadline was extended to accommodate for delays brought about by COVID-19.

The Joint Administrators have filed their report with the DBEIS regarding the conduct of the Director of the Company. The content of this report is confidential and has been submitted to the Insolvency Practitioners Compliance Unit.

The Joint Administrators are continuing to review the affairs of the Company to identify any action which can be taken that would result in recoveries for creditors.

The Joint Administrators also have a duty to investigate antecedent transactions, which include but are not limited to, transactions to defraud Creditors, preference payments and transactions at an undervalue.

The Joint Administrators' investigations into the Company are ongoing. Given the complexity of the Administration and its entanglement with associated companies, including intercompany loans and connected party transactions, this process is expected to take some time.

The investigations to date have focussed on the following areas:

- Securing information from third parties (for example the Company's professional advisors);
- Securing and reviewing Company information, in particular email, server and financial data;
- A review of transactions with bedroom investors to understand the associated fund flows;
- Review of transactions with related parties;
- Review of data relating to construction contracts and associated costs;
- Analysis of key bank accounts; and
- Further investigations into large or significant transactions, for example loans and property purchases.

If any Creditor has any information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, please do so by emailing Callum.O'Brien@kroll.com or Jen.Harrison@kroll.com or writing to Kroll Advisory Ltd (formerly Duff & Phelps Ltd.), The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

3.2 Costs

Payments made in the Reporting Period are set out in the attached Receipts and Payments Account at Appendix 3.

A separate Receipts and Payments Account has also been prepared to account for any transactions which relate specifically to trading activities. This is also attached at Appendix 3.

4. Outcome for Creditors

4.1 Secured Creditors

4.1.1 Albendan Limited

On 17 February 2020, the Company granted a fixed charge over the property trading as the Shankly Hotel in consideration for monies advanced to two subsidiary companies, SSSL and SLCE, by way of loan facilities.

Additionally, the Company granted a fixed charge to Albendan over its shareholding in SLCE in respect of the SLCE loan facility.

As at 4 April 2021, the principal indebtedness to Albendan in respect of SSSL was £2,700,925, subject to accruing interest and legal costs.

As at 4 April 2021, the principal indebtedness to Albendan in respect of SLCE loan facility was £12,014,618, subject to accruing interest and costs.

Albendan appointed Administrators over SLCE on 6 May 2020. The Administrators subsequently resigned from office and SLCE was placed into Compulsory Liquidation.

Based on current information, it is not known whether Albenden will receive a distribution under their fixed charge and guarantee as this will be dependent on whether the loans to SLCE and SSSH are repaid in full, which is unlikely, and the whether there is sufficient realisations in this Administration and/or the Administration of SSL.

It is therefore likely that Albendan will seek to make a claim for any shortfall under its security over the Shankly Hotel and the Company.

4.1.2 Lyell Trading Limited

In consideration for monies advanced to various subsidiary companies, the Company granted fixed charges to Lyell Trading Limited in respect of its shareholding in the respective subsidiaries being Signature Eden Limited, SLG Manchester 1 Limited and Loyola Hall Limited.

The Company also granted debentures to Lyell Trading dated 11 October 2019 and 18 December 2019, which confer fixed and floating charges over all of the assets of the Company.

The security that has been granted by the Company relates to a number of other development loans that are cross collateralised, providing cross guarantees in relation to each borrower and the borrowers obligations under the respective loan facilities.

4.1.3 SW Construction

In consideration for monies advanced to the Group, the Company granted debentures to SW Construction conferring fixed and floating charges over the assets of the Company, excluding the shareholding in SLG Cruise and SLC.

The security that has been granted by the Company relates to a number of other development loans that are cross collateralised, providing cross guarantees in relation to each borrower and the borrowers obligations under the respective loan facilities.

4.1.4 Henslow Trading Limited

On 13 March 2018, the Company granted Henslow a fixed charge over the freehold property trading as the Shankly Hotel in consideration for a loan facility provided to the Company or SSL.

On 18 December 2019, the Company granted a debenture to Henslow conferring fixed and floating charges over the assets of the Company, excluding the shareholding in SLG Cruise and SLCE.

On 26 October 2018, in consideration for monies advanced to a subsidiary, the Company granted Henslow a fixed charge over its shareholding in Alma de Cuba Hotel Limited.

In consideration for monies advanced to the Group, the Company granted a debenture to Henslow on 11 October 2019, conferring fixed and floating charges over the assets of the Company.

The security that has been granted by the Company relates to a number of other development loans that are cross collateralised, providing cross guarantees in relation to each borrower and the borrowers obligations under the respective loan facilities.

4.1.5 LT Prime Secured SPC Limited

On 21 October 2019, in consideration for monies advanced to a subsidiary, the Company granted LT Prime Secured SPC Limited a fixed charge over its shareholding in Harrington Street Hotel Limited.

LT Prime Secured SPC Limited have appointed LPA Receivers over the property they hold security over on Cavern Walks, Matthew Street, Liverpool.

4.1.6 Hope Capital

On 24 September 2019, the Company entered into a secured term loan agreement for £152,000 with Hope Capital secured against the freehold of Daniel House, Liverpool and provided a fixed charge over the property in favour of Hope Capital.

Hope Capital assigned their debt and security to Investments West Derby Limited.

It is anticipated Investments West Derby Limited will be repaid in full, although this is subject to the realisable value of the freehold property.

Any surplus will be received by the Company.

4.1.7 Mount Street Mortgage Servicing Limited

On 26 April 2019, in consideration for monies advanced to a subsidiary, the Company granted Mount Street Mortgage Servicing Limited a fixed charge over its shareholding in 30 James Street Limited.

Mount Street Mortgage Servicing Limited has appointed LPA Receivers over the fixed charged assets of 30 James Street Limited and 30 JS Property Limited.

Administrators' independent of Kroll have been appointed over 30 James Street Limited.

4.1.8 Alter Domus Trustees (UK) Limited (formerly Cortland Trustees Limited)

On 13 December 2019, in consideration for monies advanced to a subsidiary, the Company granted Alter Domus Trustees (UK) Limited a fixed charge over its shareholding in Signature Living Residential Limited. The secured debt is guaranteed by the Company.

Signature Living Residential was placed into Administration on 16 April 2020.

Alter Domus Trustees (UK) Limited have submitted an unsecured claim in the Administration under their guarantee from the Company totalling £14,084,405, although the quantum of the final claim is subject to the realisation of a property on Old Hall Street, Liverpool. The Administration is being handled by FRP Advisory.

Connected to this secured lender is Eiger Funding (Pcc) Limited that advanced monies to a subsidiary, Signature Victoria Mill Limited.

Signature Victoria Mill Limited was also placed into Administration on 16 April 2020 and the Administration is also being handled by FRP Advisory.

Eiger Funding (Pcc) Limited have submitted an unsecured claim in the Administration totaling £16,417,310, under their guarantee from the Company. The quantum of the final claim is subject to the realisation of the property, Victoria Mill, Manchester.

4.1.9 Stoneygate 2007 Limited

The Company granted legal charges to Stoneygate in respect of the following properties:

<u>Date</u>	<u>Charge</u>	<u>Property</u>
9 February 2017	Fixed charge	17, 19 and 21 Cotton Street, Liverpool
9 February 2017	Fixed charge	28 Carlton Street, Liverpool

9 February 2017	Fixed charge	17,19 and 21 Cotton Street, Liverpool
9 February 2017	Fixed charge	28 Carlton Street, Liverpool

The amount outstanding under this facility is £182,700, subject to accruing charges and interest.

<u>Date</u>	<u>Charge</u>	<u>Property</u>
23 November 2018	Fixed charge	Flat 9, 38-40 Victoria Street, Liverpool
23 November 2018	Fixed charge	Flat 11, 38-40 Victoria Street, Liverpool

The Company granted security over the above properties as part of a loan facility provided to Signature Campus Limited, which includes two other properties in Daniel House. The amount outstanding under this facility is £344,450, subject to accruing charges and interest.

The Joint Administrators have consented to the appointment of Fixed Charge Receivers.

Stoneygate have received a distribution of £205,918 in respect of the sale of the freehold titles of Cotton Street and Carlton Street, however this occurred outside of the Reporting Period and therefore it is not reflected in the Receipts and Payments Account at Appendix 3.

Stoneygate have been repaid in full in relation to the facility provided for Cotton Street and Carlton Street.

4.1.10 The Coal Exchange Hotel LLP

The Company granted a fixed charge on 5 April 2017 in relation to the development of The Coal Exchange Hotel in Cardiff and a construction account charge. It is the Administrators understanding the Company did not open a construction account as part of their role as developer at the Coal Exchange.

Discussions are ongoing with the Coal Exchange Hotel LLP in respect to any claim.

4.2 Preferential Creditors

It is anticipated that preferential claims will be received from former employees of the Company that were made redundant prior to the appointment of the Joint Administrators, in addition to employees that have been made redundant since appointment.

The preferential claims are expected to relate to wage arrears and outstanding holiday pay, although the Administrators have not received a claim from the RPS yet.

Based on current information, it is anticipated that there will be sufficient realisations to enable a distribution to the preferential creditors.

4.3 Unsecured Creditors

According to the Company's records, the unsecured creditors totalled £111,921,594 at the Appointment Date. The unsecured creditors were previously summarised as overleaf:

Creditor	£
Trade and expense creditors	1,520,549
Intercompany Creditor - Shankly LLP	147,815
Signature Living Residential Limited (Contingent)	14,084,405
Signature Victoria Mill Limited (Contingent)	16,417,310
Accruals & Deferred Income	2,213,604
Other Tax & Social Security	302,034
Intercompany Debt	34,111,902
Related Party Debt	27,973,942
Other Creditors	5,150,033
Estimated Retail Investor Guarantee (contingent)	10,000,000
Total	111,921,594

The Joint Administrators have obtained details from the director of Signature Capital Investments Limited and UKAG who represent this group of investors, in relation to retail investors and loans provided to subsidiaries of Signature Capital Investments Limited. It has been established the potential exposure to the Company where it acts as corporate guarantor is in the region of £40,000,000. Claims received to date are in the region of £16,000,000.

Retail investors who are not represented by UKAG should ensure any claims are submitted to Kroll by emailing signaturelivinghotel@duffandphelps.com or writing to Kroll Advisory Ltd (formerly Duff & Phelps Ltd.), The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

Creditors should note that it is estimated £96,000,000 of the unsecured debt is intercompany, connected and related party creditors within the Group and it is estimated that there intercompany and related party debtors of approximately £96,000,000 in the Group.

As highlighted at section 3.1.7 in the report, the Joint Administrators have been working with the senior management team to reconcile the position in relation to the intercompany debtors and creditors. Due to the complexities of the group structure this exercise is ongoing.

The Joint Administrators have begun to contact intercompany and related party debtors to seek proposals for repayment of the balances owed for the benefit of the Administration estate.

Based on current information it is anticipated that there will not be sufficient realisations to enable a dividend to unsecured creditors, aside from the Prescribed Part, if applicable. This position may change dependent on future realisations, quantum of claims from secured and preferential creditors and the costs of the Administration.

An update will be provided in the next report to creditors.

4.4 Prescribed part

The Company granted a number of floating charges post 15 September 2003; therefore, the Prescribed Part provisions will apply.

The anticipated quantum and timing of the Prescribed Part remains uncertain, and an update will be provided in the next report to creditors.

If not already done so, Creditors of the Company should complete the appropriate proof of debt form at Appendix 10 and return this to the Joint Administrators with evidence to support your claim at signaturelivinghotel@duffandphelps.com or Kroll Advisory Ltd (formerly Duff & Phelps Ltd.), The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

5. Other matters

5.1 Decision procedure

No decision procedure is being sought from creditors as part of this progress report.

5.2 Creditors' Committee

A creditor's committee has not been established as the Joint Administrators received insufficient nominations for a committee to be quorate.

5.3 Joint Administrators' Receipts and Payments account

A detailed receipts and payments account for the Reporting Period is shown in Appendix 3, together with a cumulative account for the whole of the Administration.

5.4 Statement of Creditors' rights

Further information regarding the remuneration and disbursements of the Joint Administrators, including Creditors' rights to challenge such costs is provided at Appendix 7, Statement of Creditors' Rights.

6. Fees, Expenses and Pre-Administration costs

6.1 Fees and expenses

The Joint Administrators are seeking approval from the secured and preferential creditors that their remuneration will be drawn on the basis of time properly given by the Joint Administrators and their staff in accordance with the fees estimate provided in the Administrators' Proposals and Duff & Phelps Ltd.'s t/a Kroll usual charge-out rates for work of this nature.

6.1.1 Time costs

Time has been charged in six-minute units. Details of the time charged for the Reporting Period and the Administration as a whole are attached at Appendix 5.

Time costs incurred in the Reporting Period total £226,012, which represents 586 hours at an average hourly rate of £386.

Time incurred in the Administration as a whole total £585,889, which represents 1,505 hours at an average hourly rate of £389.

Time costs incurred in the Reporting Period with respect to Investigations total £271,243, which represents 699 hours at an average hourly rate of £388.

Time costs incurred in the Administration as a whole with respect to Investigations total £359,375 which represents 886 hours at an average hourly rate of £406.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

6.1.2 Fees

Included with the Proposals was a Fee Estimate of £763,950, which represents the total time costs expected to be incurred by the Joint Administrators during the initial 12 months of the Administration. Further information on this estimate can be found in the Proposals.

Approval of this estimate is being sought from the secured and preferential creditors.

As part of the Previous Progress Report, the Joint Administrators issued a Notice of Decision Procedure by Correspondence with which preferential creditors could vote on the relevant resolutions relating to Fees.

The Joint Administrators are continuing to liaise with the secured and preferential creditors to obtain the necessary consents.

The Joint Administrators have not drawn any remuneration in the Reporting Period or the whole Administration to date.

The Joint Administrators time costs in the initial 12 months of the Administration have exceeded the Fee Estimate. A revised Fee Estimate will be circulated in due course to take into account the extension of the Administration for a further two year period.

The Joint Administrators will seek approval from the secured and preferential creditors to the revised Fee Estimate.

6.1.3 Expenses

Expenses are any payments from the Administration which are neither an Administrator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are payments which are first met by the Administrator and then reimbursed to the Administrator from the Administration.

Expenses are divided into those that do not need approval before they are charged to the Administration (Category 1) and those that do (Category 2).

Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the Administrator.

Category 2 expense are payments to associates or which have an element of shared costs and require approval from creditors in the same manner as the Administrator's remuneration, whether paid directly from the estate or as a disbursement.

The Joint Administrators provided in their Proposals report to creditors an estimate of expenses for the Administrations, totalling £183,980. This was for information purposes only and will likely change over the course of the Administration.

Appendix 4 details the current expenses estimate, as well as the expenses incurred and paid for the Reporting Period and the whole of the Administration to 14 April 2021.

In the Reporting Period, Category 1 expenses of £228,709 were incurred and, of this amount, £882 was paid in full. No Category 2 expenses were incurred in this period.

For the whole period of the Administration to 14 April 2021, Category 1 expenses incurred totalled £498,255 and of this amount, £36,177 was paid in full. In the same period, Category 2 expenses of £6,065 were incurred, which have been paid in full.

In the Reporting Period, Category 1 trading expenses of £67,255 were incurred and of this amount, £58,901 was paid in full. In the same period, no Category 2 expenses were incurred.

For the whole period of the Administration to 14 April 2021, Category 1 trading expenses incurred totalled £1,140,564, which includes payroll costs of £865,657; pension and PAYE/NIC deductions of £236,204; and holidays accrued during the Administration of £38,703. Of this amount, £1,049,856 was paid in full.

In the same period, Category 2 expenses of £352 were incurred and paid in respect of an attachment of earnings order.

6.1.4 Additional information

Also attached at Appendix 6 is a narrative summary of the work carried out to assist Creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to Creditors.

Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is set out in Appendix 7.

6.2 Pre-Administration costs

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Company entered Administration but with a view to it doing so.

Pre-Administration costs	Paid (£)	Unpaid (£)	Total (£)
Duff & Phelps Ltd fees	-	2,890	2,890
Solicitors fees	-	2,275	2,275
Total	-	5,165	5,165

The above costs exclude VAT.

The Joint Administrators confirm that payment of the unpaid Pre-Administration costs, as an expense of the Administration, is subject to approval under Rule 3.52 of the Rules and does not form part of the Proposals, subject to approval under Paragraph 53, Schedule B1 of the Act.

The Joint Administrators are continuing to liaise with the secured and preferential creditors to approve the drawing of Pre-Administration costs alongside the resolutions for the Joint Administrators' fee estimate.

7. Future strategy

7.1 Future conduct of the Administration

The Joint Administrators will continue to manage the affairs, business and the property of the Company in order to achieve the purpose of the Administration.

This will include, but will not be limited to:

- Completing a sale of the Shankly Hotel freehold;
- Realise all other the property assets;
- Seek to realise the Company's interests in the Coal Exchange;
- Continuing to establish the status of each property development and whether repayment of loans will be forthcoming in the future following a sale or refinance of the property in question, resulting in a surplus for the estate;
- Finalising the reconciliation and collection of the intercompany debtors and book debts;

- Obtaining fee approval;
- Conducting further investigations into the affairs of the Company including the intercompany creditor and debtor position and the Company's historical trading activity;
- Continuing to communicate with all classes of creditors, including retail investors / loan note holders in order to understand the Company's exposure and liabilities;
- Adjudication of claims and distribution should sufficient funds become available for any class of creditor;
- Settling all outstanding costs of the Administration; and
- Completing all other statutory matters prior to finalising the Administration.

7.2 Extension of the Administration

An Administration automatically comes to an end after one year, unless a 12 month extension is granted by the Court or with the Secured and Preferential Creditor consent.

The Joint Administrators requested that the Administration be extended for a period of 24 months in order to deal with a number of outstanding matters as detailed at section 7.1 above.

This extension was granted by an Order in the County Court on 9 April 2021. Consequently, the revised end date for the Administration is 15 April 2023.

7.3 Future reporting

The Joint Administrators will provide further progress reports within one month of every six months of the Appointment Date, or earlier if the Administration has been completed prior to that time.

If you require further information or assistance, please do not hesitate to contact Callum O'Brien of this office.



Michael Lennon
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Matthew Ingram and Michael Lennon, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1 – Statutory information

Company information

Company and trading name	Signature Living Hotel Limited	
Date of incorporation	29 June 2012	
Registered Number	08124207	
Company Director(s)	Lawrence Kenwright	
Shareholders	Lawrence Kenwright – One ordinary £1 share Katie Kenwright – One ordinary £1 share	
Trading address	Millennium House 60 Victoria Street Liverpool L1 6JD	
Registered office	Current: c/o Duff & Phelps Ltd t/a Kroll The Chancery 58 Spring Gardens Manchester M2 1EW	Former: Cavern Court 1st Floor 8 Mathew Street Liverpool L2 6RE

Administration information

Administration Appointment	The Administration appointment granted in the High Court of Justice, Business and Property Court in Manchester 2191 of 2020
Appointor	Henslow Trading Limited, a Secured Creditor
Date of Appointment	15 April 2020
Joint Administrators	Matthew Ingram and Michael Lennon
Original purpose	Achieving a better result for a Company's creditors as a whole than would be likely if a Company were wound up (without first being in Administration)
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1
Current Administration expiry date	15 April 2023
Prescribed part	The Prescribed Part is not applicable in this case.
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.

Appendix 2 – Approved Proposals

The Joint Administrators' proposed the following:

General

- To continue 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;
- To do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion, consider desirable or expedient in order to achieve the purpose of the Administration;
- To investigate and, if appropriate, pursue any claims the Company may have for the benefit of the Company's Creditors; and
- Seek an extension to the Administration period if considered necessary.

Distributions

- To make distributions to the Secured, Preferential and Unsecured Creditors (as appropriate) where funds allow.

End of Administration

That the Joint Administrators might use any or a combination of the following exit route strategies in order to bring the Administration to an end:

- Apply to Court for the Administration order to cease to have effect from a specified time and for the return of control to the Directors;
- Place the Company into Creditors' Voluntary Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Matthew Ingram and Michael Lennon of Duff & Phelps, would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. The creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
- Petition the Court for a winding-up order placing the Company into Compulsory Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Matthew Ingram and Michael Lennon of Duff & Phelps, would act as Joint Liquidators should the Company be placed into Compulsory Liquidation without further recourse to creditors. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
- Take the necessary steps to give notice of move from Administration to dissolution with the Registrar of Companies, if the Joint Administrators consider that Liquidation is not appropriate because (1) the Company has no remaining property which might permit a distribution to its creditors, and (2) all outstanding matters have been satisfactorily completed.

Alternatively, the Joint Administrators may allow the Administration to end automatically.

The Joint Administrators have sought specific agreement to the following Proposals from the Secured and Preferential Creditors which do not form part of these Proposals.

Appendix 3 – Receipts and Payments account

Signature Living Hotel Limited
(In Administration)
Joint Administratorss' Trading Account

Statement of Affairs £	From 15/10/2020 To 14/04/2021 £	From 15/04/2020 To 14/04/2021 £
POST APPOINTMENT SALES		
PAYE/NIC and Pension Contributions	NIL	5,065.32
Management Charges Income	57,340.98	66,370.83
HMRC JRS Grant	5,641.91	1,007,975.16
	62,982.89	1,079,411.31
OTHER DIRECT COSTS		
Attachment of Earnings Order	352.00	352.00
Wages & Salaries	45,125.28	865,656.66
PAYE/NIC	13,776.02	184,199.28
	(59,253.30)	(1,050,207.94)
TRADING SURPLUS/(DEFICIT)	3,729.59	29,203.37

Signature Living Hotel Limited
(In Administration)
Joint Administratorss' Summary of Receipts & Payments

Statement of Affairs £	From 15/10/2020 To 14/04/2021 £	From 15/04/2020 To 14/04/2021 £
ASSET REALISATIONS		
Cash at Bank	21,134.22	37,471.35
ECP PDQ	NIL	447.53
Trading Surplus/(Deficit)	3,729.59	29,203.37
Utilities Refund	NIL	18,959.54
West Africa House - Rent Receivable	NIL	13,333.33
	<u>24,863.81</u>	<u>99,415.12</u>
COST OF REALISATIONS		
IT Consultancy Work	250.00	250.00
Premises Licence Cost	NIL	448.00
Stationery & Postage	543.98	543.98
Statutory Advertising	NIL	94.50
Transcription Services	88.00	88.00
West Africa House - Ground Rent	NIL	13,333.33
	<u>(881.98)</u>	<u>(14,757.81)</u>
	23,981.83	84,657.31
REPRESENTED BY		
Floating/main current account		84,377.01
General VAT control account		280.30
		<u>84,657.31</u>

Appendix 4 – Analysis of Expenses Incurred

Joint Administrators' Expenses: comparison with estimate

Expenses	Original expenses estimate £	Actual expenses incurred in the Reporting Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Accountancy costs	10,000	0	0	No costs have been incurred to date.
Legal costs – Shakespeare Martineau	150,000	278,598	278,598	Issues exceeded expectation around the reversal of the share transfers, the BPRA investment schemes, Daniel House, Liverpool City Council lease, trademarks, management agreements, Coal Exchange settlement agreement and the extension of the Administration
Legal costs – Clarion	TBC	0	4,540	Legal costs in respect of the sale of the Cotton Street asset. Costs could not be estimated at the outset as the extent to which legal advice would be required was not yet known.
Property Agents	TBC	0	13,093	Agents advice in respect of the sale of the Cotton Street asset. Costs could not be estimated at the outset as the extent to which agents would be required was not yet known.
Storage	500	0	0	Due to COVID-19 pandemic, no costs have been incurred in respect of file storage to date.
Data room costs	600	0	0	Data room costs would relate to sale of business and assets. Although a sale of some property assets has taken place, data room costs were not incurred.
Advertising	105	0	95	Advertising costs have not exceeded the original estimate.
Bonding	225	0	225	Bonding has not exceeded the original estimate.
Insurance of assets	20,000	73,790	137,555	Insurance costs have exceeded the original estimate as the extent of properties the Company was responsible for was not known at the time of providing the initial estimate.
Bank charges	50	0	0	No bank charges have been incurred to date.
Sundry expenses	1,000	0	0	No sundry costs have been incurred.
Mileage (own car usage)	1,500	0	432	Mileage has not exceeded the previous estimate.
IT Consultancy	0	250	250	This cost was not anticipated at the outset in respect of investigations into the Company, and so it was not included in the original estimate.
Stationery & Postage	0	544	544	This cost was not anticipated at the outset but has occurred as a result of COVID-19 forcing the outsourcing of posting letters whilst the Joint Administrators had to work from home. As such, it was not included in the original estimate.
Transcription Services	0	88	88	This cost was not anticipated at the outset but is in respect of interviews for investigations into the company, and so it was not included in the original estimate.

Expenses	Original expenses estimate £	Actual expenses incurred in the Reporting Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
LPA Receivers Fees	0	0	7,529	This cost was not anticipated at the outset as the position with certain property assets was not yet known, and so it was not included in the original estimate.
License fee	0	448	448	This cost was not included in the initial estimate as it was not anticipated that costs would be incurred in respect of a license fee for the Shankly Hotel that would need to be settled by the Company as per the previous agreement.
West Africa House – Ground Rent	0	0	13,333	This cost was not included in the initial estimate as was not anticipated that costs would be incurred in respect of a tenants rent that would due to the Company and then remitted to the landlord.
TOTAL	183,980	353,718	456,730	

The above costs exclude VAT

The Previous Report has informed creditors of increases in the original estimates.

Joint Administrators' Expenses: Category 1 and Category 2

Category 1 Expenses	Company	Activity	Fee Basis	Reporting Period		Cumulative period	
				Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
	AON UK Limited	Statutory bond premium	Fixed fee	0	0	225	225
	Shakespeare Martineau LLP	Legal advice in assisting with the Appointment and ad hoc legal advice	Time costs	109,198	0	280,626	0
	Shakespeare Martineau LLP	Legal disbursements	As incurred	1,332	0	2,055	0
	Eversheds Sutherland LLP	Legal fees	Time costs	42,692	0	42,692	0
	Eversheds Sutherland LLP	Legal disbursements	As incurred	815	0	815	0
	Clarion	Legal advice on in respect of the sale of Cotton Street	Time costs	0	0	4,500	4,500
	Pantera Property	Consultancy advice in respect of the sale of Cotton Street	Time costs	0	0	7,500	7,500
	AUA Insolvency Risk Services Limited	Insurance of assets	Fixed premium	73,790	0	135,442	0
	Wilson Field	LPA Receivers fees	Time costs and disbursements	0	0	7,529	7,529

Wilson Field	Insurance in respect of the sale of Cotton Street	Insurance of asset per policy	0	0	2,113	2,113
G S Events Limited	West Africa House	Ground rent	0	0	13,333	13,333
Avensis Hospitality Solutions Limited	Providing a license holding facility for the site	Fixed fee	0	0	448	448
Hospitality IT Solutions Ltd	IT services	Fixed fee	250	250	250	250
Accurate Mailing Services	Remote postage	As incurred	544	544	544	544
Courts Advertising	Statutory advertising of notice of Administration in London Gazette	Fixed fee	0	0	95	95
AKD Services Ltd	Transcription services	Fixed fee	88	88	88	88
Total			228,709	882	498,255	36,177

Category 2 Expenses		Fee Basis	Reporting Period		Cumulative period	
Company	Activity		Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Duff & Phelps Ltd. t/a Kroll	Staff mileage to site	As incurred	0	0	432	432
Pantera Property	Consultancy advice in respect of the sale of Cotton Street	Time costs	0	0	5,593	5,593
Clarion	Legal advice on in respect of the sale of Cotton Street	Disbursements	0	0	40	40
Total			0	0	6,065	6,065

The above costs exclude VAT.

The Joint Administrators' choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.

Duff & Phelps Ltd. t/a Kroll, being the employer of the Joint Administrators and the staff working on the Administration, is considered an associate of the Administrators.

It is considered that these expenses are fair and reasonable and proportionate to the Administration.

Joint Administrators' Trading Expenses: Category 1 and Category 2

Category 1 Expenses			Reporting Period		Cumulative period	
Recipient	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Employees on SLH payroll	Work undertaken for the Company	Wages	45,125	45,125	865,657	865,657
Employees on SLH payroll	Pension contributions	Contributions	2,849	0	40,985	0
Employees on SLH payroll	Holidays accrued whilst working during the Administration	As incurred	0	0	38,703	0
HMRC	PAYE & NIC deductions	As incurred	24,796	13,776	195,219	184,199
Total			72,770	58,901	1,140,564	1,049,856

Category 2 Expenses			Reporting Period		Cumulative period	
Recipient	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Cheshire Magistrates Court	Attachment of Earnings Order	As incurred	0	0	352	352
Total			0	0	352	352

The above costs exclude VAT and only relate to the trading expenses of the Administration, which were not originally included in the expenses estimate in the Proposals as it was not known what level of trading would be required, particularly as a result of the COVID-19 pandemic.

Appendix 5 – Analysis of time charged

Joint Administrators' Fees

Refer to the table overleaf for a detailed breakdown on the Joint Administrators' time and cost summary in accordance with SIP 9.

118037 SIGNATURE LIVING HOTEL LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 06/04/2020 to 14/04/2020

ADP-Admin. - Pre Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning Strategy planning & control	0.90	1.80	0.00	0.20	0.00	2.90	1,535.00	529.31
Investigations Financial review and investigations (S238/239 etc)	1.10	0.00	0.00	1.00	0.00	2.10	835.00	397.62
Realisation of Assets Freehold and Leasehold Property	0.80	0.00	0.00	0.00	0.00	0.80	520.00	650.00
Total Hours:	2.80	1.80	0.00	1.20	0.00	5.80		498.28
Total Fees Claimed: £	1,820.00	900.00	0.00	170.00	0.00		2,890.00	

118037 SIGNATURE LIVING HOTEL LIMITED
ANALYSIS OF TIME COSTS FOR THE PERIOD 15/10/2020 to 14/04/2021

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.00	4.25	0.00	2.70	0.00	6.95	2,853.00	410.50
Cashiering & accounting	0.00	10.60	6.00	21.40	0.00	38.00	12,256.50	322.54
Dealings with Directors and Management	0.00	17.45	0.00	0.00	0.00	17.45	8,837.50	506.45
IPS set up & maintenance	0.00	0.00	0.00	0.10	0.00	0.10	15.00	150.00
Insurance	0.00	1.60	0.00	1.90	0.00	3.50	1,427.00	407.71
Statutory matters (Meetings & Reports & Notices)	0.30	22.95	0.00	20.45	0.00	43.70	15,634.50	357.77
Strategy planning & control	12.40	43.15	0.00	11.90	0.00	67.45	33,492.00	496.55
Tax Compliance / Planning	0.00	3.50	0.00	5.60	0.00	9.10	2,810.00	308.79
Creditors								
Communications with Creditors / Employees	0.80	89.00	0.00	67.00	0.00	156.80	57,070.00	363.97
Non Pref Creditors / Employee claims handling	0.00	7.10	0.00	27.75	0.00	34.85	8,863.50	254.33
Secured Creditors	4.20	26.50	0.00	12.80	0.00	43.50	19,212.00	441.66
Investigations								
CDDA & reports & Communication	0.00	8.55	0.00	25.55	0.00	34.10	9,662.00	283.34
Financial review and investigations (S238/239 etc)	0.00	2.75	0.00	0.20	0.00	2.95	1,843.50	624.92
Forensic Sales Ledger Investigation	0.40	0.00	0.00	0.00	0.00	0.40	300.00	750.00
Realisation of Assets								
Book debts	0.00	0.60	0.00	0.50	0.00	1.10	465.00	422.73
Freehold and Leasehold Property	0.40	41.65	0.00	10.90	0.00	52.95	24,057.00	454.33
Hire Purchase and Lease Assets	0.00	0.90	0.00	0.00	0.00	0.90	450.00	500.00
Other Intangible Assets	0.00	20.90	0.00	0.00	0.00	20.90	10,450.00	500.00
Other Tangible Assets	0.00	6.10	0.00	0.50	0.00	6.60	3,175.00	481.06
Sale of business	0.00	1.40	0.00	1.85	0.00	3.25	1,123.50	345.69
Trading								
Trading - Accounting	0.00	0.00	0.00	10.45	0.00	10.45	3,124.50	299.00
Trading - Employees	0.00	2.10	0.00	27.55	0.00	29.65	8,665.50	292.26
Trading - Retention of Title & Claims handling	0.00	0.00	0.00	0.90	0.00	0.90	225.00	250.00
Total Hours:	18.50	311.05	6.00	250.00	0.00	585.55		385.98
Total Fees Claimed: £	12,565.00	152,950.50	2,429.50	58,067.00	0.00		226,012.00	

118037 SIGNATURE LIVING HOTEL LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 15/10/2020 to 14/04/2021

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Dealings with Directors and Management	0.00	0.80	0.00	0.00	0.00	0.80	408.00	510.00
Strategy planning & control	1.10	2.30	0.00	0.00	0.00	3.40	1,888.00	555.29
Investigations								
Financial review and investigations (S238/239 etc)	9.20	162.75	292.60	197.60	31.30	693.45	268,011.00	386.49
Forensic Sales Ledger Investigation	0.50	0.00	0.00	0.00	0.00	0.50	375.00	750.00
Realisation of Assets								
Book debts	0.00	1.10	0.00	0.00	0.00	1.10	561.00	510.00
Total Hours:	10.80	166.95	292.60	197.60	31.30	699.25		387.91
Total Fees Claimed: £	7,990.00	94,034.50	107,553.00	53,684.00	7,981.50		271,243.00	

118037 SIGNATURE LIVING HOTEL LIMITED
ANALYSIS OF TIME COSTS FOR THE PERIOD 15/04/2020 to 14/04/2021

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.00	11.85	4.00	11.20	10.00	37.05	11,583.00	312.63
Cashiering & accounting	0.00	13.60	9.40	51.90	0.00	74.90	20,818.50	277.95
Dealings with Directors and Management	5.00	45.40	0.00	0.90	0.00	51.30	26,958.50	525.51
IPS set up & maintenance	0.00	0.00	0.00	0.35	0.00	0.35	85.50	244.29
Insurance	0.00	2.20	0.00	2.50	0.00	4.70	1,877.00	399.36
Statement of affairs	0.00	4.70	0.00	2.70	0.00	7.40	2,763.00	373.38
Statutory matters (Meetings & Reports & Notices)	1.80	86.20	0.00	38.30	0.00	126.30	50,108.00	396.74
Strategy planning & control	29.10	85.85	0.00	30.45	0.00	145.40	69,374.50	477.13
Tax Compliance / Planning	0.00	3.50	0.00	7.50	0.00	11.00	3,255.00	295.91
Creditors								
Communications with Creditors / Employees	0.80	196.30	0.00	189.65	0.00	386.75	139,055.50	359.55
Creditors committee	2.90	0.00	0.00	0.20	0.00	3.10	1,935.00	624.19
Non Pref Creditor claims adjudication & dist'n	0.00	0.90	0.00	0.75	0.00	1.65	637.50	386.36
Non Pref Creditors / Employee claims handling	0.00	39.70	0.00	92.00	0.00	131.70	37,206.00	282.51
Secured Creditors	15.30	53.60	0.00	16.80	0.00	85.70	41,717.00	486.78
Investigations								
CDDA & reports & Communication	0.00	23.70	0.00	45.00	0.00	68.70	21,573.50	314.02
Financial review and investigations (S238/239 etc)	0.00	2.75	0.00	0.20	0.00	2.95	1,843.50	624.92
Forensic Sales Ledger Investigation	7.20	2.50	0.00	0.00	0.00	9.70	6,675.00	688.14
Realisation of Assets								
Book debts	0.00	1.85	0.00	4.75	0.00	6.60	2,326.50	352.50
Freehold and Leasehold Property	4.20	146.15	0.00	12.30	0.00	162.65	78,001.00	479.56
Hire Purchase and Lease Assets	0.00	0.90	0.00	0.25	0.00	1.15	497.50	432.61
Other Intangible Assets	0.70	37.95	0.00	0.00	0.00	38.65	19,531.00	505.33
Other Tangible Assets	0.00	11.85	0.00	0.50	0.00	12.35	6,395.00	517.81
Sale of business	0.00	3.10	0.00	7.35	0.00	10.45	3,052.50	292.11
Trading								
Trading - Accounting	0.00	9.95	0.00	13.35	0.00	23.30	9,349.50	401.27
Trading - Employees	0.00	10.00	0.00	87.75	0.00	97.75	27,638.50	282.75
Trading - Operations	1.30	0.75	0.00	0.65	0.00	2.70	1,406.50	520.93
Trading - Retention of Title & Claims handling	0.00	0.00	0.00	0.90	0.00	0.90	225.00	250.00
Total Hours:	68.30	795.25	13.40	618.20	10.00	1,505.15		389.26
Total Fees Claimed: £	46,085.00	390,433.50	5,041.50	142,429.00	1,900.00		585,889.00	

118037 SIGNATURE LIVING HOTEL LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 15/04/2020 to 14/04/2021

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Dealings with Directors and Management	0.00	0.80	0.00	0.00	0.00	0.80	408.00	510.00
Strategy planning & control	1.10	2.30	0.00	0.00	0.00	3.40	1,888.00	555.29
Investigations								
Financial review and investigations (S238/239 etc)	19.90	279.30	307.95	218.45	54.80	880.40	356,143.25	404.52
Forensic Sales Ledger Investigation	0.50	0.00	0.00	0.00	0.00	0.50	375.00	750.00
Realisation of Assets								
Book debts	0.00	1.10	0.00	0.00	0.00	1.10	561.00	510.00
Total Hours:	21.50	283.50	307.95	218.45	54.80	886.20		405.52
Total Fees Claimed: £	15,645.00	157,459.00	112,292.25	57,302.50	16,676.50		359,375.25	

Appendix 6 – Narrative of work carried out for the Reporting Period

The key areas of work have been:

SIP 9 narrative for the Reporting Period

Administration and planning	<ul style="list-style-type: none"> • Monitoring and reviewing the Administration strategy; • Briefing staff on the Administration strategy and matters in relation to workstreams; • Regular case management and reviewing of process including regular team update meetings and calls; • Meeting with management to review and update strategy and monitor progress; • Dealing with queries arising during the appointment; • Reviewing matters affecting the outcome of the Administration; • Allocating and managing staff/ case resourcing and budgeting exercises and reviews; • Liaising with legal advisors regarding various instructions, including agreeing content of engagement letters; and • Complying with internal filing and information recording practices, including documenting strategy decisions.
Creditors	<ul style="list-style-type: none"> • Updating the list of Unsecured Creditors; • Responding to enquiries from Creditors and retail investors / loan note holders regarding the Administration and submission of their claims; • Reviewing completed forms and questionnaires submitted by Creditors, recording claim amounts, and maintaining claim records; • Providing written and oral updates to the Secured Lenders regarding the progress of the Administration and cases strategy; and • Monitoring the enquires email inbox and responding to all stakeholders, particularly Investors.
Investigations	<ul style="list-style-type: none"> • Managing and reviewing the Company books and records; • Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation; • Obtaining records from third parties; • Conducting interviews with counterparties and officeholders; • Enquiring with counterparties who has raised disputes against the Company; • Reviewing pre-appointment transactions; and • Documenting investigations.
Statutory and compliance	<ul style="list-style-type: none"> • Ensuring compliance with all statutory obligations within the relevant timescales; • Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9; and • Preparing this report and the associated documents.
Cashiering	<ul style="list-style-type: none"> • Preparing statutory receipts and payments accounts; and • Renewing bonding and complying with statutory requirements.

Asset realisations

- Collating information from the Company's records regarding assets, specifically relating to the properties;
- Liaising with agents regarding the sale of assets;
- Reviewing outstanding debtors and intercompany balances;
- Seeking legal advice in relation to the properties and various lease agreements; and
- Communicating with relevant parties regarding rent; property occupation and other property issues.

Trading

- Reviewing the operational position of Company;
- Completing all payments and journals required to meet trading obligations of the Company;
- Discussing the strategy with regards to the outstanding property developments;
- Ensuring the appropriate insurance cover is in place for the properties in order to protect the property interests; and
- Dealing with retained employee matters and payroll, as well as assisting all employees that have been made redundant with submitting their redundancy claims to the RPS.

Appendix 7 – Statement of Creditors' rights

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

Section or paragraph numbers refer to Insolvency Act 1986

If you require a copy of any relevant rule or section, please contact Callum O'Brien at Callum.Obrien@Kroll.com.

Information for Creditors on remuneration and disbursements of Administrators

Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandphelps.co.uk/-/media/assets/pdfs-international/uk/creditors-guide/administration-a-creditors-guide-to-insolvency-practitioner-fees-updated.ashx?la=en-gb&hash=007D99D0FCC2E1AAADA98AA36B09E2D94292DBA9>

Should you require a copy, please contact this office.

Creditors may requisition a physical meeting of Creditors for approval of the Joint Administrators' Proposals under Rule 15.6 of the Insolvency (England and Wales) Rules 2016

The Joint Administrators shall summon a physical meeting (1) if asked to do so by (a) creditors whose debts amount to at least 10% of the total debts of the Company or (b) 10% in number of creditors, or (c) 10 creditors, and (2) if the following procedures are followed:

The request for a requisitioned physical meeting must be made within five business days of the date on which the Joint Administrators' Proposals were delivered and include either:

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

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

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

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

If you wish to request a physical Creditors' meeting, please complete and return the physical meeting requisition form available on the website.

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

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

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

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

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

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

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

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

Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents	SIA Group, independent agents who were instructed to value and sell the Company's assets
Albendan	Albendan Limited, the holder of fixed charges over the assets of the Company
the Appointment Date	15 April 2020, being the date of appointment of the Joint Administrators
BPRA	Business Premises Renovation Allowance
Carlton Street	28 Carlton Street, Liverpool, L3 7ED
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Company	Signature Living Hotel Limited (In Administration) (Company Number: 08124207)
Cotton Street	17 – 21 Cotton Street, Liverpool, L3 7DY
CVA	Company Voluntary Arrangement
Daniel House	Daniel House, Trinity Road, Bootle, L20 3RG
DBEIS	Department for Business, Energy & Industrial Strategy
the Director	Lawrence Kenwright, the director of the Company
Duff & Phelps	Duff & Phelps Ltd. t/a Kroll
the Group	The wider Group of companies, as detailed in the Proposals
Henslow	Henslow Trading Limited, the holder of fixed and floating charges over the assets of the Company
Hope Capital	Hope Capital 2 Limited, the holder of a fixed charge over assets of the Company
HMRC	HM Revenue & Customs
the Joint Administrators	Matthew Ingram and Michael Lennon of Duff & Phelps Ltd. t/a Kroll, The Chancery, 58 Spring Gardens, Manchester, M2 1EW
Lyell Trading	Lyell Trading Limited, the holder of fixed charges over the assets of the Company
the Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the

	Company's net property (floating charge assets less costs of realisation) shall be made available to Unsecured Creditors
the Previous Progress Report	The Joint Administrators' Report to Creditors for the period from the Appointment date to 14 October 2020.
the Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals, dated 10 June 2020
the Reporting Period	The period from 15 October 2020 to 14 April 2021
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
SLCE	Signature Living Coal Exchange Limited
SHLO	The Shankly Hotel Liverpool Ops Limited
SSL	Signature Shankly Limited (in Administration)
SSSL	Signature Stanley Street Hotel Limited
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006
UKAG	UK Accommodation Group Limited
West Africa House	West Africa House, 25 Water Street, Liverpool, L2 0RG

Appendix 9 – Notice about this report

This report has been prepared by Matthew Ingram and Michael Lennon, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of any financial interest in the Company or any other company in the same group.

Any estimated outcomes for Creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for Creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Matthew Ingram and Michael Lennon are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Duff & Phelps Ltd. t/a Kroll does not assume any responsibility and will not accept any liability to any person in respect of this Progress Report or the conduct of the Administration.

Appendix 10 – Proof of Debt form

PROOF OF DEBT - GENERAL FORM

Signature living Hotel Limited – In Administration		
Company No. 08124207		
Date of Administration: 15 April 2020		
1.	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)	
2.	Address of Creditor for correspondence	REF
	Contact telephone number of creditor	
	Email address of creditor	
3.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	
4.	Details of any documents by reference to which the debt can be substantiated (please attach)	
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates	
9.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES / NO
	Position with or in relation to creditor Address of person signing (if different from 2 above)	
Admitted to vote for £		Admitted for dividend for £
Date		Date
Administrator		Administrator