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### 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

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

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	<sup>d</sup> 1	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>a</sup> 1	<sup>d</sup> 4	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X

*[Handwritten Signature]*

X

Signature date

<sup>d</sup> 0	<sup>d</sup> 5	<sup>m</sup> 1	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
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# AM10

## Notice of administrator's progress report



### Presenter information

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Contact name Daniel Ryan

Company name Kroll Advisory Limited

Address The Chancery

58 Spring Gardens

Post town Manchester

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Postcode M 2 1 E W

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Telephone 0161 827 9000



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- ☐ You have attached the required documents.
- ☐ You have signed the form.



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# **Progress Report to Creditors**

## **Signature Living Hotel Limited (In Administration)**

5 November 2021

*Joint Administrators' Progress Report to Creditors  
For the period from 15 April 2021 to 14 October 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 Kroll website at <http://www.kroll.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.

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 into the 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 properties, Cotton Street and Carlton Street for a combined sale consideration of £500,000, completed during the Reporting Period with net proceeds of £261,780 being received into the Administration estate.

The Joint Administrators have received two tranches of loan settlement sums totalling £1.3m in respect of The Coal Exchange Hotel LLP underwriting loan in the Reporting Period.

The Joint Administrators instructed the Agents to take steps to bring the Hotel to the open market whilst SHLO continued to trade the Hotel.

During the Reporting Period, the Hotel has been marketed extensively to a wide range of potential buyers.

There are a number of interested parties that are now in an advanced phase of the bidding process with the Agents, although detailed vendor due diligence is ongoing to provide the necessary information to all parties in order to solicit best and final bids and progress a sale, should acceptable bids be received.

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 although it was later established that the potential, contingent liability is in excess of £40,000,000. Claims received to date from the retail investors are in excess of £38,000,000.

This contingent liability relates to corporate guarantees granted by the Company for unsecured loans advanced by retail investors in the Signature Capital Investments Limited group 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 the Administrators ongoing investigations.

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.kroll.com/ukrestructuring>, and paper copies can be provided free of charge by writing to Callum O'Brien at [signaturelivinghotel@kroll.com](mailto:signaturelivinghotel@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 throughout 2020, continuing in 2021, until hotels were able to recommence limited trading on 17 May 2021.

All COVID-19 restrictions were subsequently lifted on 19 July 2021 and trading has improved as a result.

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 Previous Reporting Period, this has been reduced to two with the other employee resigning in the Previous Reporting Period.



As shown in Appendix 3, receipts totalling £72,196 in the Reporting Period are in relation to funds received from Signature for management recharges to cover the wages of the ex-employee and the two remaining and retained employees in the Reporting Period.

Costs in the Reporting Period in respect of the trading account total £100,995, resulting in a deficit of £28,799. This deficit is predominantly due to the payment of holiday pay for employees, accrued whilst they were on furlough.

### **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 the 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 following the first national lockdown and opened and closed intermittently, following various national and local government lockdowns throughout 2020 and continuing in 2021 until hotels were able to recommence limited trading on 17 May 2021. All COVID restrictions were subsequently lifted on 19 July 2021 and trading has improved as a result. It is believed that continuity of trade will result in an increase in the realisable value of the freehold title of the Hotel.

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 Previous Reporting Period, the Joint Administrators 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.

During the Reporting Period, the Hotel was brought to the open market and has been marketed extensively to a wide range of potential buyers.

There are a number of interested parties that are now in an advanced phase of the bidding process with the Agents, although detailed vendor due diligence is ongoing to provide the necessary information to all interested parties in order to solicit best and final bids and progress a sale, should acceptable bids be received.

The Joint Administrators are not a position to disclose any further details of the bidding process, or the estimated outcome at this stage. An estimated outcome will be put to the various stakeholders for consideration and approval upon receipt of an acceptable offer.

As such, an estimated timeline for sale cannot currently be given due to the complexities of the process. An update will be provided in the next report to creditors, or sooner, should there be material developments.

#### Bedroom Investors

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

It is the Joint Administrators ongoing strategy, through the marketing process, to apportion sale consideration received for the Hotel in a fair and equitable manner so that all bedroom investors receive the best return possible, in return for surrendering their leasehold interest with SSL, thus enabling a transaction to proceed. The return to bedroom investors would be paid as part of the completion of the sale of the Company's freehold and SSL's leasehold interest in the Hotel.

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

#### BPRA

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

Shankly Hotel LLP leasehold interest in the common areas of the Hotel form an integral part of the realisation strategy in the Hotel.

There is an Option Agreement in place between the Company and Shankly Hotel LLP, that enables the Company to purchase the leasehold interest back and collapse the lease. It is the Administrators intention to exercise the Option Agreement as part of a sale of the Hotel. It is not possible to disclose details of the Option Agreement due to commercial sensitivity around the ongoing marketing of the Hotel.

There is an underwriting loan of £2,275,000 that will be repaid back to the Company once the Option Agreement is exercised.

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 Limited group entities and is only connected by way of common director and shareholder.

Creditors should note that when reference is made to Retail Investors in this report, this does not include any investors in Signature Works Gold Limited or entities connected to it. These investors were predominantly sold office space in respect of 60 Old Hall Street and the Bling Bling building as far as the Administrators are aware. The Company does not act as a corporate guarantor for these investors, and they are therefore not contingent creditors of the Company.

All loans with Retail Investors relate to monies advanced to Signature Capital Investments entities, which 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 Capital Investments Limited 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 continue to make regular enquiries with the various Administrators and Receivers to understand their strategy, marketing timescales and estimated realisations. In addition, the Administrators have previously 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 will continue to monitor whether a sale or refinance of the various property assets will settle all liabilities in the respective entities, including secured debt; and whether funds will be available to the Company as shareholder in the form of a dividend, or possibly from a dividend being paid to the Company out of an insolvent estate as an unsecured creditor, due to an intercompany debt.

The Joint Administrators have been advised by the Director and UKAG that they have obtained “guarantee and standstill agreements” from over 95% (by value) of unsecured retail investors, which provides assurances that the investors, in consideration for UKAG acting as additional guarantor to their debts, would not initiate legal action or engage in negative press or social media commentary for a period of 2 years until 30 September 2022. There are 596 loan agreements, made up of 365 unique investors with total outstanding loans in the region of £40,000,000.

Neither the Company or the Joint Administrators were party to the negotiation or implementation of the guarantee and standstill agreements and therefore, cannot comment on the potential outcome for investors upon expiry of the agreements.

The Joint Administrators continue to correspond with the Retail Investors to confirm that they have submitted their relevant unsecured contingent claims by way of proof of debt forms and that the Joint Administrators have received all the necessary documentation to support these claims, predominantly being a copy of the loan note agreement and deed of guarantee.

#### Purported CVA proposal

As previously reported, it was brought to the Joint Administrators attention that the Director of the Company had been in discussions with a group of investors with a view to working together to formulate a restructuring plan for the Company and across the wider Signature Group.

The Director, supported by the third-party entity brought in by the Director, UKAG, approached the Joint Administrators to discuss how the Administration of the Company and other Signature entities subject to insolvency proceedings, could exit insolvency proceedings.

In March 2021, the Administrators received a first draft of a CVA proposal via Baker Tilly Mooney Moore relating to the Company. After a brief review it was concluded the proposal, as drafted, was not feasible as it did not have the support of secured creditors and did not demonstrate that a CVA exit from Administration would result in a better outcome for the general body of creditors. Specifically, how each class of creditor would be treated and compromised, or the value and by what method contributions in the CVA would be paid now or in the future.

There has been no further communication with the Director or UKAG on the subject of a CVA since the initial proposal was put forward.

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

### **3.1.3 West Africa House**

In January 2016, the Company acquired the long leasehold interest in West Africa House in Liverpool which included a ground floor and roof top bar. The Company redeveloped the property and sold off a number of luxury residential apartments. The Company has also sold the ground rent investment in the building.

GS Events Management Limited were granted a 15-year lease on 13 June 2013 which trades from the ground floor and mezzanine as a tearoom and bar called Oh Me Oh My.

GS Events Terrace Limited were granted a 15-year lease on 22 December 2014 which trades 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.

The Joint Administrators have requested 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 most of 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, prior to the Appointment Date, the Company 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 granted a 999 year lease commencing 14 December 2017 to Daniel House Refurbishment LLP. There was 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 leasehold interest relates 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 repaid back to the Company on 28 September 2020.

Hope Capital held security over the property against a loan of c£160,000, as at the Appointment Date. Hope Capital appointed Fixed Charge Receivers over Daniel House. Shortly after their appointment the Fixed Charge Receivers 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).

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. Further details are provided in previous progress reports.

During the Reporting Period, the Section 5A notices were served on the qualifying leaseholders on 3 August 2021, notifying them the property will be placed into auction on 13 December 2021. To date, the qualifying leaseholders have not taken up the option to purchase the freehold as part of the Section 5 process.

Further details will be provided in the next report, or sooner, to the Daniel House creditors as and when there are material developments following the auction process.

### **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 the LPA Receiver of the freehold title of both Cotton Street and Carlton Street was completed during the Reporting Period 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.

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 financial statements including balance sheets for each entity and reconciling the position in relation to the intercompany debtors and intercompany creditors. This exercise is ongoing as part of the investigations into the Company's financial affairs.

As part of this exercise, demand letters have been issued to 35 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 debtor balances totalling £90,075,238.

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.

During the Reporting Period, the Joint Administrators have also engaged the Solicitors to commence initial debt recovery proceedings against intercompany debtor entities by issuing letter before action demands. The Joint Administrators will in due course consider its next steps, including legal enforcement options available, depending on the circumstances of each intercompany debtor.

Discussions are ongoing with the Solicitors to determine whether it will be cost effective for the general body of creditors, based on the likelihood of success and estimated realisations, should the Administrators decide to pursue the intercompany debtors via a formal legal process and via the Court.

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 £1,141,087. The Joint Administrators have engaged the Solicitors to begin debt recovery proceedings by issuing demands 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 had been in detailed and protracted negotiations with The Coal Exchange Hotel LLP in relation to the underwriting loan, which would be due for repayment in six to seven years after the hotel reaches practical completion.

Due to the current incomplete status of the hotel, there is no fixed repayment date for the loan, and it was deemed unlikely the loan would be collectable unless the hotel was completed at a considerable cost.

The Company was the main developer of the Coal Exchange and was subject to various damages claims from the Coal Exchange Hotel LLP for non-performance, guaranteed rent arrears and monies that were paid to the Company, which should have been used for the development and were purportedly utilised elsewhere around the Signature Group. It was assessed the claims against the Company could be in excess of £5,600,000.

During the Reporting Period, the Company entered into a commercial settlement agreement with The Coal Exchange Hotel LLP in respect of the underwriting loan and the various claims against the Company.

The settlement amount totals £3,000,000, with initial payments totalling £1,300,000, received to date, a further payment of £200,000 is due in April 2022 and the balance of £1,500,000 payable either upon a sale or refinance of the hotel or on the second anniversary of the settlement agreement in July 2023.

Until such time as the settlement amount is paid in full, the Company reserves the right to pursue the underwriting loan balance in full and it is acknowledged The Coal Exchange Hotel LLP has reserved its right to continue to pursue its various claims against the Company.

#### **3.1.10 Management charge income**

The Company received funds totalling £72,196 during the Reporting Period to cover wages for employees that are utilised around the wider Signature Group.

Of this amount, £8,568 relates to management charges received from SSL to cover wages for employees around the wider Signature Group for January 2021 and February 2021 in the Previous Reporting Period.

#### **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 Previous Reporting Period, further cash at bank of £21,134 was transferred over to the Administration estate.

The Joint Administrators will confirm with Santander whether any further cash at bank is held from the Reporting Period for remittance to the Administration estate and a further update in respect of this will be provided in the next progress report.

#### **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 may 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 have been extensive and are ongoing. Given the complexity of the Administration and its entanglement with over 70 associated companies, including intercompany loans and connected party transactions, this process is expected to take some time.

During the Reporting Period, the Joint Administrators' have initiated the recovery of assets identified to date, in particular:

- Confirmed intercompany positions and initiated the recovery of intercompany balances from group and associated entities; and
- Initiated recovery of assets held by third parties including loans to directors and related parties.

Investigations continue in order to identify further potential recoveries, such as claims against third parties. These extensive investigations continue to be focused on the following areas:

- Securing information from third parties (for example the Company's professional advisors);
- Securing and reviewing information, in particular email, server and financial data for the Company and a number of other entities around the group in order to reconcile the intercompany debtor and creditor position with the Company;
- A review of transactions with a variety of different investors to understand the associated fund flows around the group;
- Review of transactions with current and form directors and related parties;
- Review of data relating to construction contracts and associated costs where they are connected to unreconciled balances with the Company and around the Signature Group;
- Analysis of key bank accounts held currently and previously; and
- Further investigations into large or significant transactions, for example loans and property purchases that didn't materialise.

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.OBrien@kroll.com](mailto:Callum.OBrien@kroll.com) or [Jen.Harrison@kroll.com](mailto: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, SSSH and SCLE, 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 SSSH 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.

Albenden 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 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 (in Liquidation) a fixed charge over its shareholding in Harrington Street Hotel Limited.

LT Prime Secured SPC Limited (in Liquidation) 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 purportedly 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 costs and 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 £13,337,031, 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 overall 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 in the Reporting Period as shown 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.

#### **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 RPS have submitted a preferential claim totalling £57,737 in respect of payments made to the Company's former employees relating to wage arrears and outstanding holiday pay.

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 at the Appointment Date, the Unsecured Creditors totalled £111,921,594. The Unsecured Creditors were previously summarised as follows:

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 (see below)	10,000,000
<b>Total</b>	<b>111,921,594</b>

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 £38,000,000.

Creditors should note that this amount is subject to change upon any potential adjudication for dividend purposes as this includes interest accrued past the relevant date being the Appointment Date, under Rule 14.23 of the Rules, and is also subject to exchange rate differences from those claims submitted by international investors.

Retail Investors who are not represented by UKAG should ensure any claims are submitted to Kroll by emailing [signaturelivinghotel@kroll.com](mailto:signaturelivinghotel@kroll.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 c£96,000,000 of the unsecured debt is intercompany, connected and related party creditors within 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.

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@kroll.com](mailto:signaturelivinghotel@kroll.com) or Kroll Advisory Ltd (formerly Duff & Phelps Ltd.), The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

## **5. Other matters**

### **5.1 Decision procedure**

A Notice of Decision Procedure by Correspondence is being sought from the Secured and Preferential Creditors as part of this report to obtain approval for an increase in the Joint Administrators' fee estimate.

Please refer to Section 6.1.2 and Appendix 11 for further details in respect of this.

### **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 Kroll's 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 £195,945, which represents 488 hours at an average hourly rate of £402.

Time incurred in the Administration as a whole total £772,199, which represents 1,967 hours at an average hourly rate of £393.

Time costs incurred in the Reporting Period with respect to Investigations total £161,373, which represents 370 hours at an average hourly rate of £436.

Time costs incurred in the Administration as a whole with respect to Investigations total £520,748 which represents 1,256 hours at an average hourly rate of £415.

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 fee estimate was sought from the Secured and Preferential Creditors, which was duly received during the Reporting Period on 8 October 2021.

As detailed in the Previous Progress Report, given the Joint Administrators total time costs in the initial 12 months of the Administration had exceeded the Fee Estimate, a revised Fee Estimate would be circulated in due course to take into account the extension of the Administration for a further two-year period.

Consequently, the Joint Administrators have issued a Notice of Decision Procedure by Correspondence, as part of Appendix 11, with which the Secured and Preferential Creditors can vote on the relevant resolutions relating to Fees.

The Joint Administrators will seek approval from the Secured and Preferential Creditors to the revised Fee Estimate.

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

### **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 £294,400 were incurred and, of this amount, £228,879 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 £749,852 and of this amount, £253,504 was paid in full. In the same period, Category 2 expenses of £32 were incurred, which have been paid in full.

In the Reporting Period, Category 1 trading expenses of £92,593 were incurred and of this amount, £100,995 has been paid, with the additional amount paid over and above the £92,593 relating to Category 1 trading expenses incurred during the Previous Reporting Period. 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 £1,194,709, which includes payroll costs of £904,670; pension and PAYE/NIC deductions of £252,869; and holidays accrued during the Administration of £28,965. Of this amount, £1,150,851 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 (£)
Kroll fees	-	2,890	2,890
Solicitors fees	-	2,275	2,275
<b>Total</b>	<b>-</b>	<b>5,165</b>	<b>5,165</b>

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;
- Seek to realise the underwriting loan repayable by the Shankly Hotel LLP;
- Seek to realise Director Loan Accounts and all other debts due from connected and related parties;
- Realise all other the property assets;
- Seek to further realise the Company's interests in the Coal Exchange underwriting loan;
- 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;
- Where applicable, seek to realise value from the Company shareholding in entities around the Group;
- Finalising the reconciliation and collection of the intercompany debtors and book debts;
- Obtaining fee approval to the revised fee estimate;
- 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.

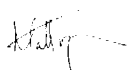
The Joint Administrators requested that the Administration be extended for a period of 24 months in order to deal with a number of outstanding matters as detailed at section 7.1 above.

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.



**Matthew Ingram**  
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

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

### Administration information

<b>Administration Appointment</b>	The Administration appointment granted in the High Court of Justice, Business and Property Court in Manchester 2191 of 2020	
<b>Appointor</b>	Henslow Trading Limited, a Secured Creditor	
<b>Date of Appointment</b>	15 April 2020	
<b>Joint Administrators</b>	Matthew Ingram and Michael Lennon	
<b>Original purpose</b>	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)	
<b>Functions</b>	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1	
<b>Current Administration expiry date</b>	15 April 2023	
<b>Prescribed Part</b>	The Prescribed Part is not applicable in this case.	
<b>Application of EC Regulations</b>	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 Kroll, 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 Kroll, 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 Administrators' Trading Account**

Statement of Affairs £	From 15/04/2021 To 14/10/2021 £	From 15/04/2020 To 14/10/2021 £
POST APPOINTMENT SALES		
PAYE/NIC and Pension Contributions	NIL	5,065.32
Management Charges Income	72,196.38	138,567.21
HMRC JRS Grant	NIL	1,007,975.16
	72,196.38	1,151,607.69
OTHER DIRECT COSTS		
Attachment of Earnings Order	NIL	352.00
Wages & Salaries	39,013.48	904,670.14
PAYE/NIC	33,017.14	217,216.42
Post-Appointment Accrued Holidays	28,964.66	28,964.66
	(100,995.28)	(1,151,203.22)
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>(28,798.90)</b>	<b>404.47</b>

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

Statement of Affairs £	From 15/04/2021 To 14/10/2021 £	From 15/04/2020 To 14/10/2021 £
SECURED ASSETS		
Freehold Land & Property	500,000.00	500,000.00
	500,000.00	500,000.00
COSTS OF REALISATION		
Property Agents Fees	7,500.00	7,500.00
Property Agents Disbursements	5,593.00	5,593.00
Legal Fees	4,500.00	4,500.00
Legal Disbursements	40.00	40.00
LPA Receivers Fees	7,529.46	7,529.46
Insurance	2,113.00	2,113.00
Consultancy	1,750.00	1,750.00
	(29,025.46)	(29,025.46)
SECURED CREDITORS		
Stoneygate 2007 Limited	205,918.00	205,918.00
	(205,918.00)	(205,918.00)
ASSET REALISATIONS		
Cash at Bank	NIL	37,471.35
Coal Exchange Loan Settlement Sums	1,300,000.00	1,300,000.00
ECP PDQ	NIL	447.53
Trading Surplus/(Deficit)	(28,798.90)	404.47
Utilities Refund	NIL	18,959.54
West Africa House - Rent Receivable	NIL	13,333.33
	1,271,201.10	1,370,616.22
COST OF REALISATIONS		
Accountants Fees	1,250.00	1,250.00
Agents/Valuers Disbursements	40.00	40.00
Agents/Valuers Fees	2,100.00	2,100.00
IT Consultancy Work	NIL	250.00
Legal Disbursements	6,030.00	6,030.00
Legal Fees	200,000.00	200,000.00
Premises Licence Cost	NIL	448.00
Stationery & Postage	76.00	619.98
Statutory Advertising	NIL	94.50
Transcription Services	NIL	88.00
West Africa House - Ground Rent	NIL	13,333.33
	(209,496.00)	(224,253.81)
	<b>1,326,761.64</b>	<b>1,411,418.95</b>
REPRESENTED BY		
Fixed bank account		260,029.94
Fixed charge VAT control account		5,026.60
Floating/main current account		1,104,263.91
General VAT control account		40,643.90
VAT Receivable		1,454.60
		<b>1,411,418.95</b>

## Appendix 4 – Analysis of Expenses Incurred

### Joint Administrators' Expenses: comparison with 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)
Accountancy costs	10,000	1,250	1,250	Accountancy costs have not exceeded the original estimate.
Agents' costs – Wignall Brownlow	0	2,140	2,140	Wignall Brownlow's agents costs in respect of splitting the freehold titles to enable serving of the Section 5A notices in respect of Daniel House. Costs could not be estimated at the outset as the position with Daniel House was not yet known.
Legal costs – Shakespeare Martineau	150,000	217,419	504,757	Issues exceeded expectation around the reversal of the share transfers, the BPRA investment schemes, Daniel House and rent demands, Liverpool City Council lease, trademarks, management agreements, Coal Exchange settlement agreement and the extension of the Administration
Legal costs – Clarion	0	4,540	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	13,093	13,093	Pantera's 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.
Property Agents	TBC	0	0	CBRE's advice in respect of the sale of the Shankly Hotel. Costs could not be estimated at the outset nor at this current time as the sale price is not known and the Joint Administrators negotiated a selling fee of 0.6% up to £30m and 1% for anything above.
Storage	500	0	0	Due to the COVID-19 pandemic and Kroll's policy move to a paperless office, 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 as this has been borne by the Agents.
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	33,245	131,895	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.

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)
Bank charges	50	0	0	No bank charges have been incurred to date.
Sundry expenses	1,000	207	403	Sundry expenses in respect of travel and subsistence have not exceed the original estimate.
Mileage (own car usage)	1,500	0	0	Mileage has not exceeded the previous estimate.
Consultancy	0	1,750	1,750	This cost was not anticipated at the outset in respect of Daniel House Land Registry plans, and so it was not included in the original estimate.
Insurance	0	2,113	2,113	This insurance cost was not anticipated at the outset in respect of the sale of the Cotton Street asset and so it was not included in the original estimate.
IT Consultancy	0	0	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	76	620	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	0	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.
LPA Receivers Fees	0	7,569	7,569	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	0	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.
<b>TOTAL</b>	<b>183,980</b>	<b>283,402</b>	<b>684,569</b>	

The above costs exclude VAT and any trading costs of the Administration.

The Previous Report has informed creditors of increases in the original estimates and a revised expenses estimate is included in Appendix 11.

## Joint Administrators' Expenses: Category 1 and Category 2

Category 1 Expenses			Reporting Period		Cumulative period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Accurate Mailing Services	Remote postage	As incurred	76	76	620	620
AKD Services Ltd	Transcription services	Fixed fee	0	0	88	88
AON UK Limited	Statutory bond premium	Fixed fee	0	0	225	225
AUA Insolvency Services Limited	Risk Insurance of assets	Fixed premium	33,245	0	131,895	0
Avensis Hospitality Solutions Limited	Providing a license holding facility for the site	Fixed fee	0	0	448	448
Clarion	Legal advice on in respect of the sale of Cotton Street	Time costs	4,540	4,540	4,540	4,540
Courts Advertising	Statutory advertising of notice of Administration in London Gazette	Fixed fee	0	0	95	95
Curo Chartered Accountants	Tax advice in respect of SLCE loan settlement agreement.	Fixed fee	1,250	1,250	1,250	1,250
Eversheds Sutherland LLP	Security review	Time costs	0	0	42,692	0
Eversheds Sutherland LLP	Security review	Disbursements	0	0	815	0
G S Events Limited	West Africa House	Ground rent	0	0	13,333	13,333
Hospitality IT Solutions Ltd	IT services	Fixed fee	0	0	250	250
Mlp	Consultancy advice in respect of Land Registry plans for Daniel House	Time costs	1,750	1,750	1,750	1,750
Pantera Property	Consultancy advice in respect of the sale of Cotton Street	Time costs	7,500	7,500	7,500	7,500
Pantera Property	Expenses in respect of advice the sale of Cotton Street	Disbursements	5,593	5,593	5,593	5,593
Shakespeare Martineau LLP	Legal advice in assisting with the Appointment, Daniel House, the BPRA pursuing debts,	Time costs	217,419	200,000	504,757	200,000



	sale of Shankly Hotel, S236 claims as well as other ad hoc legal advice					
Shakespeare Martineau LLP	Legal disbursements in respect of Counsel, land registry and search fees, court fees and the matters detailed above	As incurred	20,887	6,030	22,219	6,030
Wignall Brownlow	Agents' fees in respect of serving Section 5A Notice to Daniel House investors	Fixed Fee and disbursements	2,140	2,140	2,140	2,140
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
<b>Total</b>			<b>294,400</b>	<b>228,879</b>	<b>749,852</b>	<b>253,504</b>

Category 2 Expenses			Reporting Period		Cumulative period	
Recipient	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Kroll	Staff mileage to site	As incurred	0	0	32	32
<b>Total</b>			<b>0</b>	<b>0</b>	<b>32</b>	<b>32</b>

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.

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	39,013	39,013	904,670	904,670
Employees on SLH payroll	Pension contributions	Contributions	2,618	0	42,985	0
Employees on SLH payroll	Holidays accrued whilst working during the Administration	As incurred	28,965	28,965	28,965	28,965
HMRC	PAYE & NIC deductions	As incurred	21,997	33,017	217,216	217,216
<b>Total</b>			<b>92,593</b>	<b>100,995</b>	<b>1,193,836</b>	<b>1,150,851</b>

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
<b>Total</b>			<b>0</b>	<b>0</b>	<b>352</b>	<b>352</b>

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.

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**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			
<b>Administration and Planning</b> Strategy planning & control	0.90	1.80	0.00	0.20	0.00	2.90	1,535.00	529.31
<b>Investigations</b> Financial review and investigations (S238/239 etc)	1.10	0.00	0.00	1.00	0.00	2.10	835.00	397.62
<b>Realisation of Assets</b> Freehold and Leasehold Property	0.80	0.00	0.00	0.00	0.00	0.80	520.00	650.00
<b>Total Hours:</b>	<b>2.80</b>	<b>1.80</b>	<b>0.00</b>	<b>1.20</b>	<b>0.00</b>	<b>5.80</b>		<b>498.28</b>
<b>Total Fees Claimed: £</b>	<b>1,820.00</b>	<b>900.00</b>	<b>0.00</b>	<b>170.00</b>	<b>0.00</b>		<b>2,890.00</b>	

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

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	0.00	2.30	0.00	4.90	0.00	7.20	2,521.00	350.14
Cashiering & accounting	0.00	7.00	4.80	12.10	0.00	23.90	8,488.00	355.15
Dealings w/ directors & management (inc associated	0.00	14.50	0.00	0.00	0.00	14.50	7,250.00	500.00
IPS set up & maintenance	0.00	0.00	0.00	0.30	0.00	0.30	63.00	210.00
Insurance	0.00	0.00	0.00	2.20	0.00	2.20	726.00	330.00
Statutory matters (Meetings & Reports & Notices)	2.25	14.70	0.00	28.50	0.00	45.45	14,808.50	325.82
Strategy planning & control (incl engagement finan	0.00	57.25	0.00	20.10	0.00	77.35	36,982.00	478.11
Tax Compliance / Planning	0.00	1.30	0.00	7.35	0.00	8.65	2,411.50	278.79
<b>Creditors</b>								
Dealings with creditors and employees	0.00	75.90	0.00	56.95	0.00	132.85	54,561.50	410.70
Non Pref Creditors / Employee claims handling	0.00	1.60	0.00	15.90	0.00	17.50	5,865.00	335.14
Pref claims adjudication & distribution	0.00	0.00	0.00	1.05	0.00	1.05	346.50	330.00
Secured Creditors	3.25	14.05	0.00	7.60	0.00	24.90	11,645.50	467.69
<b>Investigations</b>								
Financial review and investigations (S238/239 etc)	0.00	3.80	2.25	18.20	0.00	24.25	7,142.50	294.54
<b>Realisation of Assets</b>								
Book debts	0.00	0.70	0.00	11.35	0.00	12.05	3,635.50	301.70
Freehold and Leasehold Property	0.00	23.00	0.00	9.70	0.00	32.70	13,799.00	421.99
Other Intangible Assets	0.00	25.70	0.00	0.00	0.00	25.70	12,850.00	500.00
Other Tangible Assets	0.00	1.50	0.00	0.00	0.00	1.50	825.00	550.00
Sale of business	0.00	0.00	0.00	0.45	0.00	0.45	85.50	190.00
<b>Trading</b>								
Trading - Accounting	0.00	0.00	0.00	6.95	0.00	6.95	2,293.50	330.00
Trading - Employees	0.00	1.30	0.00	26.50	0.00	27.80	9,395.00	337.95
Trading - Operations	0.00	0.50	0.00	0.00	0.00	0.50	250.00	500.00
<b>Total Hours:</b>	<b>5.50</b>	<b>245.10</b>	<b>7.05</b>	<b>230.10</b>	<b>0.00</b>	<b>487.75</b>		<b>401.73</b>
<b>Total Fees Claimed: £</b>	<b>3,575.00</b>	<b>123,341.00</b>	<b>2,833.50</b>	<b>66,195.00</b>	<b>0.00</b>		<b>195,944.50</b>	

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

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Dealings w/ directors & management (inc associated	0.80	0.00	0.00	0.00	0.00	0.80	600.00	750.00
Statutory matters (Meetings & Reports & Notices)	3.20	0.00	0.00	0.00	0.00	3.20	2,400.00	750.00
Strategy planning & control (incl engagement finan	6.00	13.50	0.00	0.00	0.00	19.50	11,379.00	583.54
<b>Investigations</b>								
Financial review and investigations (S238/239 etc)	2.60	177.20	21.60	141.85	0.00	343.25	145,412.50	423.63
Forensic Sales Ledger Investigation	0.00	3.00	0.00	0.00	0.00	3.00	1,530.00	510.00
<b>Realisation of Assets</b>								
Book debts	0.00	0.10	0.00	0.00	0.00	0.10	51.00	510.00
<b>Total Hours:</b>	<b>12.60</b>	<b>193.80</b>	<b>21.60</b>	<b>141.85</b>	<b>0.00</b>	<b>369.85</b>		<b>436.32</b>
<b>Total Fees Claimed: £</b>	<b>9,450.00</b>	<b>107,765.50</b>	<b>7,308.00</b>	<b>36,849.00</b>	<b>0.00</b>		<b>161,372.50</b>	

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

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	0.00	14.15	4.00	15.90	10.00	44.05	14,038.00	318.68
Cashiering & accounting	0.00	20.30	14.20	63.70	0.00	98.20	29,093.50	296.27
Dealings w/ directors & management (inc associated)	5.00	59.90	0.00	0.90	0.00	65.80	34,208.50	519.89
IPS set up & maintenance	0.00	0.00	0.00	0.55	0.00	0.55	115.50	210.00
Insurance	0.00	2.20	0.00	4.70	0.00	6.90	2,603.00	377.25
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)	4.05	100.90	0.00	64.00	0.00	168.95	64,335.50	380.80
Strategy planning & control (incl engagement finan	30.10	141.90	0.00	49.55	0.00	221.55	106,074.50	478.78
Tax Compliance / Planning	0.00	4.80	0.00	14.85	0.00	19.65	5,666.50	288.37
<b>Creditors</b>								
Creditors committee	2.90	0.00	0.00	0.20	0.00	3.10	1,935.00	624.19
Dealings with creditors and employees	0.80	267.20	0.00	243.30	0.00	511.30	189,948.00	371.50
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	41.30	0.00	106.70	0.00	148.00	42,675.00	288.34
Pref claims adjudication & distribution	0.00	0.00	0.00	1.05	0.00	1.05	346.50	330.00
Secured Creditors	18.55	65.20	0.00	23.40	0.00	107.15	51,807.50	483.50
<b>Investigations</b>								
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	6.55	2.25	18.40	0.00	27.20	8,986.00	330.37
Forensic Sales Ledger Investigation	7.20	2.50	0.00	0.00	0.00	9.70	6,675.00	688.14
<b>Realisation of Assets</b>								
Book debts	0.00	2.55	0.00	12.05	0.00	14.60	4,850.50	332.23
Freehold and Leasehold Property	4.20	167.35	0.00	21.60	0.00	193.15	90,768.00	469.94
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	63.05	0.00	0.00	0.00	63.75	32,081.00	503.23
Other Tangible Assets	0.00	13.35	0.00	0.50	0.00	13.85	7,220.00	521.30
Sale of business	0.00	3.10	0.00	7.80	0.00	10.90	3,138.00	287.89
<b>Trading</b>								
Trading - Accounting	0.00	9.95	0.00	20.30	0.00	30.25	11,643.00	384.89
Trading - Employees	0.00	11.30	0.00	113.05	0.00	124.35	36,637.50	294.63
Trading - Operations	1.30	1.25	0.00	0.65	0.00	3.20	1,656.50	517.66
Trading - Retention of Title & Claims handling	0.00	0.00	0.00	0.90	0.00	0.90	225.00	250.00
<b>Total Hours:</b>	<b>74.80</b>	<b>1,029.00</b>	<b>20.45</b>	<b>832.75</b>	<b>10.00</b>	<b>1,967.00</b>		<b>392.58</b>
<b>Total Fees Claimed: £</b>	<b>50,310.00</b>	<b>507,902.50</b>	<b>7,875.00</b>	<b>204,211.50</b>	<b>1,900.00</b>		<b>772,199.00</b>	

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

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Dealings w/ directors & management (inc associated	0.80	0.80	0.00	0.00	0.00	1.60	1,008.00	630.00
Statutory matters (Meetings & Reports & Notices)	3.20	0.00	0.00	0.00	0.00	3.20	2,400.00	750.00
Strategy planning & control (incl engagement finan	7.10	15.80	0.00	0.00	0.00	22.90	13,267.00	579.34
<b>Investigations</b>								
Financial review and investigations (S238/239 etc)	22.50	456.50	329.55	360.30	54.80	1,223.65	501,555.75	409.88
Forensic Sales Ledger Investigation	0.50	3.00	0.00	0.00	0.00	3.50	1,905.00	544.29
<b>Realisation of Assets</b>								
Book debts	0.00	1.20	0.00	0.00	0.00	1.20	612.00	510.00
<b>Total Hours:</b>	<b>34.10</b>	<b>477.30</b>	<b>329.55</b>	<b>360.30</b>	<b>54.80</b>	<b>1,256.05</b>		<b>414.59</b>
<b>Total Fees Claimed: £</b>	<b>25,095.00</b>	<b>265,224.50</b>	<b>119,600.25</b>	<b>94,151.50</b>	<b>16,676.50</b>		<b>520,747.75</b>	



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

Cashiering	<ul style="list-style-type: none"><li>• Preparing statutory receipts and payments accounts; and</li><li>• Renewing bonding and complying with statutory requirements.</li></ul>
Asset realisations	<ul style="list-style-type: none"><li>• Collating information from the Company's records regarding assets, specifically relating to the properties;</li><li>• Liaising with agents regarding the sale of assets;</li><li>• Reviewing outstanding debtors and intercompany balances;</li><li>• Seeking legal advice in relation to the properties and various lease agreements;</li><li>• Liaising with the Solicitors and SLCE regarding the loan exchange settlement sums;</li><li>• Liaising with SLHO regarding the management charges income; and</li><li>• Communicating with relevant parties regarding rent; property occupation and other property issues.</li></ul>
Trading	<ul style="list-style-type: none"><li>• Reviewing the operational position of Company;</li><li>• Completing all payments and journals required to meet trading obligations of the Company;</li><li>• Discussing the strategy with regards to the outstanding property developments;</li><li>• Ensuring the appropriate insurance cover is in place for the properties in order to protect the property interests; and</li><li>• 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.</li></ul>

## **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](mailto: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 Kroll 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.kroll.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
the First Progress Report	The Joint Administrators' Report to Creditors for the period from the Appointment Date to 14 October 2020
the First Reporting Period	The period from 15 April 2020 to 14 October 2020
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 Kroll
Kroll	Kroll Advisory Ltd (formerly Duff & Phelps Ltd), 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 Reports	The Joint Administrators' First Progress Report to Creditors for the period from the Appointment Date to 14 October 2020; The Joint Administrators' Second Progress Report to Creditors for the period from the 15 October 2020 to 14 April 2021;
the Previous Reporting Period	The period from 15 October 2020 to 14 April 2021
the Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals, dated 10 June 2020
the Reporting Period	The period from 15 April 2021 to 14 October 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)
SSSH	Signature Stanley Street Hotel Limited
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006
UKAG	UK Accommodation Group Limited
the Website	<a href="https://micro.kroll.com/ukrestructuring/">https://micro.kroll.com/ukrestructuring/</a>
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, 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**

<b>Signature living Hotel Limited – In Administration</b>		
<b>Company No. 08124207</b>		
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

## **Appendix 11 – Fees and Costs Information to Creditors**



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# Fees and Costs Information to Creditors

5 November 2021

**Signature Living Hotel Limited  
(In Administration)**

Kroll Advisory Ltd (formerly Duff & Phelps Ltd)  
The Chancery  
58 Spring Gardens  
Manchester  
M2 1EW

## Introduction

Matthew Ingram and Michael Lennon were appointed Joint Administrators of the Company on 15 April 2020.

The Joint Administrators are seeking the approval of the Secured and Preferential Creditors to the following resolutions:

- 1) That a Creditors' Committee will not be established unless requested by the creditors and sufficient creditors are willing to act as members of the Committee;
- 2) That the Joint Administrators remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration;
- 3) That the Joint Administrators Revised Fee Estimate in the total sum of £2,007,979 is approved; and
- 4) That the Joint Administrators be authorised to draw their company's internal costs and pay expenses to associates in dealing with the Administration ("Category 2 Expenses").
- 5) That the Joint Administrators be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing

## Appendices

Appendix 1	Joint Administrators' Revised Fee Estimate Narrative
Appendix 2	Joint Administrators' Revised Fee Estimate
Appendix 3	Joint Administrators' Revised Estimated Expenses
Appendix 4	Joint Administrators' Receipts and Payments Account
Appendix 5	Analysis of the Joint Administrators' Time Costs
Appendix 6	Notice of Business by Correspondence
Appendix 7	Voting Form

**Appendix 1**

**Joint Administrators' Revised Fee Estimate Narrative**

## **Signature Living Hotel Limited (In Administration)**

### **The Joint Administrators' Fee Estimate from 15 April 2020 to 14 April 2023**

Matthew Ingram and Michael Lennon were appointed Joint Administrators of the Company on 15 April 2020.

#### **Introduction**

The following information is provided to creditors to enable them to consider and approve the Joint Administrators' remuneration. It is a summary of key issues to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities, and, the financial benefit to creditors.

This document should be read in conjunction with the Joint Administrators' Statement of Proposals and the Previous Progress Reports, which provides further details of the assets, liabilities, progress to date and estimated return to creditors, if any. Particular reference is made to the Appendices entitled 'Revised Fee Estimate', 'Revised Estimated Expenses' and 'Analysis of the Joint Administrators' Time Costs'.

Should the Joint Administrators anticipate further time costs in addition to the above, they will again issue a further Revised Fee Estimate for approval.

#### **Estimated Fees and Expenses**

The Joint Administrators propose that their fees will be based on time costs, being fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.

Creditors are asked to approve the Revised Fee Estimate, which effectively acts as a cap on the fees that can be drawn (subject to the Joint Administrators' ability to seek an increase in the approved amount from creditors if appropriate). The Revised Fee Estimate is enclosed at Appendix 2.

The Revised Expenses Estimate for the Administration is shown at Appendix 3 to this narrative, this illustrates the incurred and anticipated expenses for the whole of the Administration following the extension of the Administration for a further two years and is for information purposes only (and does not require approval by any class of creditor).

It should be noted that the Revised Fee Estimate is an estimate of time costs that the Joint Administrators expect to incur, and the level of fees drawn will be dependent on the asset realisations and agreement of creditors.

#### **Estimated Return to Creditors**

The outcome for all classes of creditor is referred to in detail in the main body of the report, the contents of which have been summarised for reference below.

#### **Secured Creditors**

Based on current information it is anticipated that there will be sufficient realisations to enable a distribution to one or more secured creditors.

## **Preferential Creditors**

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

## **Unsecured Creditors**

Based on current information it is anticipated that there will be insufficient realisations to enable a dividend to unsecured creditors, aside from the Prescribe Part, if applicable.

Please refer to the Progress Report for further details in respect of the estimated return to creditors.

## **Joint Administrators' Estimated Time Costs**

### **Administration & Planning**

The role of a Joint Administrator is highly regulated, being required to conform to insolvency legislation, industry best practice policies (Statements of Insolvency Practice) and relevant case law. Consequently, the Joint Administrators are obliged to undertake many activities that do not provide a financial benefit to creditors.

In addition, throughout the course of the Administration, the Joint Administrators regularly review the strategy and complete case reviews at week one, after three months, and every six months thereafter. These activities do not necessarily provide a direct financial benefit to creditors; however, these are necessary to ensure that the Administration runs efficiently.

### **Administration & Planning**

Total time costs estimated to be incurred for Administration & Planning total £547,376, including the time costs incurred to date of £258,898. This process has and will include the following tasks:

- Complying with anti-money laundering checks, bribery act and ethical checks;
- Setting up the Administration on our internal systems and on the Kroll website;
- Companies House filings;
- Calculating and obtaining the Insolvency Practitioners' bond;
- Undertaking treasury functions in setting up the Administration;
- Internal strategic discussions and meetings and completing case reviews;
- Advertising the Joint Administrators' appointment and notifying relevant stakeholders;
- Opening Administration bank accounts and facilitating a transfer of funds to the Administration;
- Preparing the Joint Administrators' Statement of Proposals and Progress Reports.
- Performing periodic and strategic case reviews;
- Undertaking ongoing cashiering and accounting functions;
- Filing notices with Companies House and the Court at relevant intervals;
- Dealing with tax compliance and returns;
- Dealings with the directors and management;
- Ensuring that all insurance and bonding requirements are appropriate;
- Preparing a final report to all creditors of the Company; and

- Internal strategic discussions and meetings.

The Joint Administrators' will continue to oversee planning and administration over the Company in line with the tasks detailed above as the Administration has been extended for a further two years.

### **Statutory Matters**

Total time costs estimated to be incurred for statutory matters total £159,500, including the time costs incurred to date of £64,336. Much of this is in respect of statutory compliance, which also falls under the Administration & Planning heading.

The role of an Administrator is highly regulated, being required to conform to insolvency legislation, industry Best Practice policies (Statements of Insolvency Practice) and relevant case law. Consequently, the Joint Administrators are obliged to undertake many activities that do not provide a financial benefit to creditors. Such matters will include, but are not restricted to Anti Money Laundering, Bribery Act and Ethical considerations and checks, statutory advertising, regular reporting to creditors including fee agreement procedures, regular case reviews, obtaining and securing company books and records, Companies House filing, completion and release of insolvency bond and various treasury functions.

### **Creditors**

Total time costs estimated to be incurred in relation to dealing with Creditors total £497,575, including the time costs incurred to date of £287,350. The Joint Administrators will deal with all creditor queries as appropriate.

With regard to unsecured creditors, mainly being loan note holders for investments in hotel or residential developments that have been guaranteed by the Company, the Joint Administrators and case staff will liaise accordingly to assist them in submitting their claims in the Administration. This will include explaining how to submit a claim in the Administration, what information the Joint Administrators require and reasons behind the Administration of the Company and ongoing strategy to get the best return possible for Creditors.

Should it be considered that there are sufficient asset realisations to enable either a dividend to the unsecured creditors, the Joint Administrators will then adjudicate on all submitted claims to agree or reject the claims (in part or in full) prior to declaring and paying any dividend distribution, if applicable.

The Joint Administrators time costs incurred for Creditors to date total £287,350. This includes dealing with the Secured Creditors in confirming the amounts due in respect of the fixed and floating charges held following the application of any relevant interest and charges in order to arrange a distribution following the completion of all asset realisations where possible. The Joint Administrators have also been reporting back to the Secured Creditors with updates in respect of the general matters, the trading performance of the Shankly Hotel and realisation potential for other property developments the Company holds the freehold title of and has leasehold interests in, as well as the sale of business and assets of the Company. This has also included seeking their consent to the Joint Administrators original fee estimate and extensions of the Administration.

To date, the Joint Administrators have dealt with a large number of investor queries and have been requesting information from each investor. This includes discussing their leases, contracts, ROI arrears, and whether a put or call option has been exercised in order to clarify the amounts paid by each investor. This includes a review of all correspondence received regarding their investment and liaising with investors with regards to whether the Company has provided a guarantee to their investment, whether the facility is in default and whether they have served formal demand on the Company to call upon their guarantee in order to crystallise their debt and become an Unsecured Creditor of the Company. In addition, the Joint Administrators have spent time liaising with the Company, UKAG and the investors to prepare a master schedule of all investments to keep a comprehensive record of the Company's liabilities.



The Joint Administrators have also dealt with other queries and lodging creditors' claims that have been submitted onto the case management system, as well as assisting former employees who were made redundant prior to the Joint Administrators appointment to claim for holiday and notice pay. This also included liaising with the RPS and the Company's payroll provider to ensure claims were processed correctly and in a timely manner and obtaining their preferential claim.

Going forward, the Joint Administrators will continue to deal with creditor matters as above, as and when queries and claims are presented. Total time costs in respect of creditors are estimated to be £497,575, including the costs incurred to date and are expected to comprise of the following future tasks:

- Dealing with correspondence, emails and telephone conversations regarding claims in the Administration;
- Dealing with any claims submitted;
- Maintaining up to date creditor information and claims status on the case management system;
- Maintaining the Kroll website for creditor information;
- Sending letters to investors to provide supportive updates in relation to the progress of the Administration and status of their investment;
- Adjudicating and agreeing preferential and unsecured creditor claims, in the event a dividend will become payable;
- Declaring, calculating and paying a dividend or Prescribed Part dividend, if applicable;
- Distributing dividends to creditors, in the event that dividends will be payable;
- Completing fixed and floating charge distributions to the Secured Creditors where possible; and
- Reporting to the Secured Creditors.

Total estimated time costs in respect of all classes of creditor are detailed above.

## **Investigations**

It is a statutory requirement that the Joint Administrators provide a report to the DBEIS on the conduct of all directors who have held office in the three years prior to the Joint Administrators' appointment to determine their fitness to act in such a role.

This has entailed an extensive level of investigation to ensure that best practice standards are met, and the Revised Fee Estimate reflects this standard. Further time costs are being incurred in respect of ongoing investigations into the Company and liaising with the DBEIS as appropriate resulting from follow up queries. Such investigations may or may not lead to further asset recovery, so creditors should not automatically assume that this activity will provide a monetary benefit to the Administration estate.

Total time costs in respect of Investigations incurred to date are £557,982. This process has included the following tasks:

- Securing the Company's books and records and taking a backup of the Company's accounting system;
- Writing to the Bank to request historic bank statements for the Company;
- Seeking the completion of a questionnaire by the directors;
- Completing a detailed bank statement analysis;
- Investigation of any potential claims with regard to antecedent or preferential transactions;
- Determining an inter-company position and whether any inter-company debts are made up of funds received from the investors for rooms.
- Completing a detailed review of all of the Company's financial accounts available;
- Reviewing the structure of the investments the collective investment schemes operated by associated companies that have been guaranteed by the Company;

- Land Registry and Companies House searches;
- Logging, reviewing and actioning upon any investor and creditor complaints and concerns regarding the Directors' conduct;
- Internet and social media searches;
- Completion of the Kroll investigation work program; and
- Statutory reporting requirements to the DBEIS in respect of the Directors' conduct and any resulting correspondence.

The Joint Administrators have also incurred time costs in initiating the recovery of assets identified to date, in particular:

- Confirmed intercompany positions and initiated the recovery of intercompany balances from group and associated entities; and
- Initiated recovery of assets held by third parties including loans to directors and related parties.

Total time costs in respect of Investigations for the whole Administration are estimated to be £607,985 in order to identify further potential recoveries, such as claims against third parties. These extensive investigations will therefore continue to incur time costs with a focus on the following areas:

- Securing information from third parties (for example the Company's professional advisors);
- Securing and reviewing information, in particular email, server and financial data for the Company and a number of other entities around the group in order to reconcile the intercompany debtor and creditor position with the Company;
- A review of transactions with a variety of different investors to understand the associated fund flows around the group;
- Review of transactions with current and former directors and related parties;
- Review of data relating to construction contracts and associated costs where they are connected to unreconciled balances with the Company and around the Signature Group;
- Analysis of key bank accounts held currently and previously; and
- Further investigations into large or significant transactions, for example loans and property purchases that didn't materialise.

The above time estimate is resulting from the high level investigations that are required. In the event, however, these extensive investigations are going to result in the time costs being higher than estimated in the Revised Fee Estimate, the Joint Administrators will advise creditors in future progress reports accordingly.

It should be noted that full details of the investigations cannot be disclosed in order to avoid prejudicing any potential recovery or action in this regard.

## **Realisation of Assets**

The fundamental duty of an Administrator is that of the recovery and realisation of the Company's assets. The Joint Administrators' powers are designed to ensure the effective discharge of this duty. The Joint Administrators must recover the assets of the Company for the benefit of the creditors and ultimately the members and must realise the same to affect the best possible outcome.

The Joint Administrators' actions and ongoing strategy in respect of the Company's assets is detailed below. The Joint Administrators estimate total time costs of £281,620 in dealing with asset realisations, including the time already incurred in this regard. This has and will include the following:

### Book Debts

The Joint Administrators estimate total time costs of £29,750 in dealing with the collection of book debts of the Company.

Creditors should note there is an overlap in relation to this activity with the pursuing of the realisation for Intangible Assets, as detailed below, as this too relates to the realisation of intercompany debtors, Director's loan accounts and other connected party transactions.

As detailed above, the Joint Administrators have incurred extensive Investigation costs in understanding the debts owed to the Company and the time costs already incurred of £5,463 are in relation to serving demand on these debtors for the collection of the outstanding balances and engaging the Solicitors to begin debt recovery proceedings prior to legal action being taken.

Further time costs of £24,287 are to be incurred as the Joint Administrators continue to pursue these balances for the benefit of the Administration estate.

Further details with regards to the activity the Joint Administrators' will be undertaking to achieve these realisations are also provided in the Investigations section.

### Freehold and Leasehold Property

The Joint Administrators estimate total time costs of £140,800 in dealing with the Freehold and Leasehold Property, including time already incurred of £90,768

This time has included establishing the position of the entities and individual investors that have either purchased suites and rooms in Hotels in the form of long leasehold agreements granted by the Company or are loan note holders for a number of development schemes within the Signature Group.

The Joint Administrators have incurred time costs in working with the Directors and management of the Company and the investors in order to determine the position in relation to outstanding investments, including ROI arrears and other connected adhoc matters.

During the Administration to date, the Joint Administrators have succeeded in realising the Cotton Street asset and have taken steps to place the Daniel House property into an auction, following the splitting of the freehold titles and serving of the Section 5A Notices to all leaseholders, for the benefit of the Administration estate.

The Joint Administrators will continue to incur additional time costs in creating a strategy for the sale of the Company's freehold title to the Shankly Hotel and other residential properties including the Daniel House and the leasehold title in West Africa House in order to maximise the return to all stakeholders.

### Hire Purchase and Lease Assets

The Joint Administrators' estimate total time costs of £1,440 to be incurred in dealing with Hire Purchase and Lease Assets. Currently, time costs of £498 have been incurred in relation to this through arranging for the collection of a company car from a former employee.

It is not anticipated significant additional time costs will be incurred in respect of this as the Joint Administrators are not currently aware of any hire purchase and/or leased assets.

As such, an estimated provision of £942 for time costs has been put in for this to cover for any unforeseen in respect of this.

### Intangible Assets

The Joint Administrators estimate total time costs of £81,080 in dealing with the Intangible Assets, including time already incurred of £32,081.

As detailed in the Proposals and the Progress Reports, the Company forms part of a wider group of companies which trades as a hotel and residential property operator. As such, the Company owns shares in a number of the Group entities.

The Joint Administrators have incurred time costs in reviewing the Company's various shareholdings within the Group, undertaking an intercompany debtor reconciliation and serving demand on these debtors in order to create a strategy to maximise the realisation where possible.

As these matters remain unresolved, the Joint Administrators anticipate to incur additional time costs of £48,999 in pursuing these balances for the benefit of the Administration estate.

Further details with regards to the activity the Joint Administrators' will be undertaking to achieve these realisations are also provided in the Investigations section.

### Tangible Assets

The Joint Administrators' estimate total time costs £12,400 to be incurred in dealing with the Tangible Assets to be included in the strategy for realisation.

Time costs incurred to date of £7,220 have been in respect of the Company's interest in the MV Funchal cruise liner where the vessel has been disposed of, and the fixtures & fittings at 30 James Street Hotel Limited, which the Company is a shareholder of and is currently in Administration with Moorfields.

It is not anticipated significant additional time costs will be incurred in respect of this as the Joint Administrators are not currently in control of any further tangible assets for realisation.

As such, a provision of £5,180 for time costs has been put in for Tangible Assets to cover for any foreseen issues with the disposal of any tangible assets at 30 James Street Hotel Limited, as well as any further tangible assets that are brought to the Joint Administrators' attention.

### Sale of Business

Time costs incurred to date in respect of this total £3,138 and it is estimated that further time costs of £13,012 will be incurred. This includes time spent in negotiating with the interested parties and liaising with the Agents, the Solicitors and the Secured Creditors in respect of finalising a sale agreement and dealing with any further queries from previous interested parties.

### **Trading**

As detailed in the progress report, 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 throughout 2020 and continuing in 2021 until hotels were able to recommence limited trading on 17 May 2021. All COVID-19 restrictions were subsequently lifted on 19 July 2021 and trading has improved as a result with a view to executing a sale of the business and assets as a going concern.

The Company provided support services to the operational companies within the Group and did not carry out any direct trading of any hotel or property.

Nevertheless, it is estimated that total time costs of £68,973 will be incurred in relation to Trading as detailed below.

As explained above, the Joint Administrators have been, and will continue to, oversee the recommencement of trading of the Company's freehold title and leasehold interest in a number of hotels and residential developments. As such, the Joint Administrators have currently incurred time costs of £50,162 in respect of Trading.

The level of Trading time incurred under Operations from working with the Shankly Hotel's operational management team to understand the future trading outlook of the Shankly Hotel, as well as the Solicitors and the Agents for other residential property schemes, is estimated to total £3,675. However, this will be dependent on whether the Joint Administrators engage additional third-party agents who specialise in the running of hotels and residential developments.

Trading time costs of £36,638 have been incurred in respect of Employees. To date, the Joint Administrators have assisted in transferring employees to other entities within the wider Signature Group pursuant to TUPE, as well as assisting former employees in submitting claims for holiday and notice pay for those employees who had redundancy claims. Furthermore, this has included liaising with the RPS and the Company's payroll provider to ensure claims were processed correctly and enabled all employees to reclaim any outstanding pre-Administration pension contributions from the RPS.

Further time costs are anticipated to be incurred in continuing to run payroll for those employees that have been retained, ensuring all post-appointment pension contributions and National Insurance and PAYE deductions during any Trading period are paid across to the relevant pension scheme and HMRC accordingly. It is therefore estimated that total time costs in respect of Employees will be £43,300.

This time incurred will also include liaising with the Company and HMRC in order to receive the grant to pay for the wages of furloughed employees in order to run the payroll to ensure all furloughed and retained staff are paid their post-appointment wages owed, with all PAYE and NI being deducted from the payroll.

Furthermore, the Joint Administrators have anticipated Trading time costs under Accounting to be £20,700 in relation to continuing to complete all accounting functions in respect of journaling in receipts from the completion of sales, whilst ensuring all agreed expenses due are paid promptly. These payments will relate to professional advisors' costs and trading costs as detailed above and in the Proposals.

Furthermore, the Joint Administrators are incurring time costs during the Trading Period in ensuring the appropriate insurance cover is in place whilst continuing to oversee the trading of the Company's freehold and leasehold interests. It is anticipated these time costs are to total £1,100 across the Administration.

There are no other known assets of the Administration at this time, however the Joint Administrators will seek to identify any additional assets for the benefit of the Administration.

Should you have any queries, please contact Callum O'Brien on 0161 827 9156 or at [Callum.O'Brien@Kroll.com](mailto:Callum.O'Brien@Kroll.com) and [Signaturelivinghotel@kroll.com](mailto:Signaturelivinghotel@kroll.com).

## **Appendix 2**

### **Joint Administrators' Revised Fee Estimate**

## Fees Estimate

### Project: (118037) Signature Living Hotel Limited

From Apr 15, 2020 To Apr 14, 2023

#### Comments

Post-appointment ADM fee estimate

Administration - Post Appointment (New)									
Classification of Work Function	Hours					Total Hours	Time Cost	Avg. Hourly Rate	
	Managing Director	Manager / Directors	Senior	Assistant	Support				
Admin & Planning									
Case review and Case Diary management	5.00	20.00	10.00	30.00	0.00	65.00	23,650.00	363.85	
Cashiering & accounting	5.00	40.00	20.00	80.00	0.00	145.00	48,450.00	334.14	
Dealings with Directors and Management	20.00	100.00	22.00	20.00	0.00	162.00	75,760.00	467.65	
IPS set up & maintenance	0.00	0.00	0.00	0.60	0.00	0.60	132.00	220.00	
Insurance	2.00	10.00	3.00	15.00	0.00	30.00	10,740.00	358.00	
Statement of affairs	0.00	4.70	0.00	2.70	0.00	7.40	2,944.00	397.84	
Statutory matters (Meetings, Reports and Notices)	30.00	205.00	30.00	130.00	0.00	395.00	162,000.00	410.13	
Strategy planning & control	75.00	250.00	20.00	100.00	0.00	445.00	203,350.00	456.97	
Tax Compliance/Planning	5.00	20.00	5.00	35.00	0.00	65.00	22,850.00	351.54	
Creditors									
Creditors committee	3.50	10.00	0.00	8.00	0.00	21.50	9,035.00	420.23	
Dealing with Creditors / Employees	10.00	300.00	40.00	320.00	0.00	670.00	242,100.00	361.34	
Non Pref Creditor claims adjudication and dist'n	5.00	16.00	10.00	35.00	0.00	66.00	22,750.00	344.70	
Non Pref Creditors/Employee claims handling	5.00	50.00	0.00	150.00	0.00	205.00	61,250.00	298.78	
Pref claims adjudication and distribution	1.00	5.00	5.00	12.00	0.00	23.00	7,690.00	334.35	
Secured Creditors	100.00	150.00	15.00	50.00	0.00	315.00	156,700.00	497.46	
Investigations									
CDDA, reports & Communication	5.00	23.70	0.00	45.00	0.00	73.70	25,000.00	339.21	
Financial review and investigations (S238/239 etc)	61.00	582.00	402.00	403.50	61.00	1,509.50	575,230.00	381.07	
Forensic Sales Ledger Investigation	7.70	5.50	0.00	0.00	0.00	13.20	7,755.00	587.50	
Realisation of assets									
Book Debts	5.00	30.00	10.00	35.00	0.00	80.00	29,750.00	371.88	
Freehold and Leasehold Property	20.00	225.00	20.00	35.00	0.00	300.00	140,800.00	469.33	
Hire Purchase and Lease Assets	0.00	2.00	0.00	2.00	0.00	4.00	1,440.00	360.00	
Other Intangible Assets	6.00	102.00	55.00	24.00	0.00	187.00	81,080.00	433.58	
Other Tangible Assets	2.00	20.00	0.00	5.00	0.00	27.00	12,400.00	459.26	
Sale of Business	5.00	10.00	15.00	10.00	0.00	40.00	16,150.00	403.75	
Trading									
Trading - Accounting	0.00	20.00	5.00	40.00	0.00	65.00	20,700.00	318.46	
Trading - Employees	0.00	25.00	0.00	140.00	0.00	165.00	43,300.00	262.42	
Trading - Insurance	0.00	0.00	0.00	5.00	0.00	5.00	1,100.00	220.00	
Trading - Operations	3.00	1.25	0.00	5.00	0.00	9.25	3,675.00	397.30	
Trading - Retention of Title & Claims Handling	0.00	0.00	0.00	0.90	0.00	0.90	198.00	220.00	
<b>Total Hours</b>	<b>381.20</b>	<b>2,227.15</b>	<b>687.00</b>	<b>1,738.70</b>	<b>61.00</b>	<b>5,095.05</b>			
<b>Total Estimated Fees</b>	<b>190,600.00</b>	<b>935,403.00</b>	<b>261,060.00</b>	<b>382,514.00</b>	<b>3,050.00</b>		<b>2,007,979.00</b>		

## **Appendix 3**

### **Joint Administrators' Revised Estimated Expenses**



**Signature Living Hotel Limited (In Administration)**  
**Analysis of the Joint Administrators' Revised Estimated Expenses for the Administration**

Note	Company	Type of Expenses	Activity	Date of Instruction	Fee Basis	Anticipated Total Cost
<b>1</b>	<b>Professional Advisors</b>					
2	Curo Chartered Accountants	Statutory Compliance	Preparation and submission of Corporation Tax returns and other taxation matters	15-Apr-20	Fixed Fee	10,000.00
3	Shakespeare Martineau LLP	Statutory Compliance	Solicitors - engaged to provide legal advice to the Joint Administrators on an ad-hoc basis, including strategic meetings, completing a security review, offering validly advice and assisting with the position with the bedroom investors	15-Apr-20	Time cost plus disbursements	600,000.00
4	Eversheds Sutherland	Statutory Compliance	Solicitors - Instructed to complete a security review of the Company's fixed and floating charges	15-Apr-20	Time cost plus disbursements	42,692.00
5	Avensis Hospitality Solutions Limited	Asset Realisations	Agents - Provide a licence holding facility for the Shankly Hotel and assist with the operations of the Shankly Hotel.	15-Apr-20	Fixed Fee	1,000.00
6	CBRE Limited	Asset Realisations	Agents - Instructed to assist in the valuation and realisation of the Shankly Hotel	15-Apr-20	Selling fee of 0.6% up to £30m and 1% for anything above.	180,000.00
7	Clarion	Asset Realisations	Solicitors - Instructed to assist in the sale of the Cotton Street asset with the sale agreement, security and legal advice	15-Apr-20	Fixed Fee plus Disbursements	43,507.00
8	Pantera Property	Asset Realisations	Agents - Instructed to the assist in the valuation and realisation of the Cotton Street asset	15-Apr-20	Fixed Fee plus Disbursements	13,093.00
9	Wignall Brownlow	Asset Realisations	Agents - Instructed to split the freehold titles to enable the serving of the Section 5A notices in respect of the Daniel House.	15-Apr-20	Fixed Fee plus Disbursements	2,140.00
10	Wilson Field	Asset Realisations	LPA Receivers fees in respect of the sale of the Cotton Street asset	15-Apr-20	Time cost plus Expenses	9,642.00
11	Property Agents	Asset Realisations	Agents - Instructed to the assist in the valuation and realisation of the other freehold and leasehold assets	15-Apr-20	Fixed Fee plus Disbursements	TBC
	<b>Total Professional Advisors Costs</b>					<b>902,074.00</b>
	<b>Other</b>					
12	Total Data Management	Statutory Compliance	Storage Agents - Instructed to store the Company's books and records as well as Joint Administrators' records.	15-Apr-20	Cost per unit	500.00
13	Accurate Mailing Services	Statutory Compliance	Stationary and postage costs incurred in posting letters to all creditors	15-Apr-20	Cost per letter	1,200.00
14	AKD Services Ltd	Investigations and Statutory Compliance	Transcription services for recording of interviews in respect of investigations into the Company	15-Apr-20	As Incurred	88.00
15	Hospitality IT Solutions Ltd	Investigations and Statutory Compliance	IT Services in obtaining the Company's records	15-Apr-20	Fixed Fee	250.00
16	Courts Advertising Limited	Statutory Compliance	Statutory Advertising of notice of Administration in the London Gazette	15-Apr-20	Fixed Fee	95.00
	<b>Total Other Expenses</b>					<b>2,133.00</b>
	<b>Expenses</b>					
17	<b>Category 1 Expenses</b>					
18	Willis Towers Watson	Bond Premium		15-Apr-20	Fixed Fee	225.00
19	Insolvency Risk Services	Insurance of Assets		15-Apr-20	Fixed Premium per each property the Company has an interest in	250,000.00
	Barclays Bank plc	Bank Charges		15-Apr-20	Per Facility	50.00
12	Sundry Expenses	Travel and Subsistence Costs		15-Apr-20	As incurred	1,000.00
	<b>Total Category 1 Expenses</b>					<b>251,275.00</b>
21	<b>Category 2 Expenses</b>					
22	Mileage @ 45p per mile	Travel Costs		15-Apr-20	As incurred	500.00
	<b>Total Category 2 Expenses</b>					<b>500.00</b>
	<b>TOTAL EXPENSES</b>					<b>1,155,982.00</b>

**Notes to Estimated Expenses Schedule**

- The Administrators' choice of professional advisors is based on their perception of the experience and ability of the respective firm / individual to perform their work, the complexity and nature of the assignment and the basis of their fee.
- A tax accountant may be potentially instructed to provide advice in relation to Corporation Tax matters and VAT.
- Shakespeare Martineau are engaged by the Joint Administrators to act in relation to the appointment of the Joint Administrators and if required, to prepare the relevant documentation in respect of the asset sale agreement. In addition, they are engaged to review the validity of appointment and other matters in relation to Daniel House, the Shankly Hotel, the BPRA investment scheme and investigations into the Company.
- Eversheds Sutherland are independent solicitors that have been instructed to review the validity of security. It is not anticipated any further costs will be incurred.
- Fees incurred in relation to the licence holding facility for the Shankly Hotel and any other costs anticipated to be incurred in respect of the trading and sale of the Shankly Hotel.
- CBRE Limited are the selling agents who were instructed to assist with the valuation and realisation of the Shankly Hotel.
- Clarion were engaged to provide legal advice in respect of the sale of the Cotton Street asset in preparing the asset sale agreement and discharge of the security.
- Pantera Property were engaged to assist in the valuation and realisation of the Cotton Street asset.
- Wignall Brownlow were engaged as agents to review the land registry titles in respect of the Daniel House to split the freehold titles in order to serve the Section 5A Notices to the investors.
- Wilson Field were appointed as the Joint Receivers of the Cotton Street assets and incurred these time costs and expenses in realisation.
- Further property agents are to be engaged in respect of the realisation of the Company's other freehold and leasehold interests.
- Books and records of the Company will be stored offsite with an external provider for at least the duration of the Administration plus one year. In addition, it is a statutory requirement that books and records of the Joint Administrators must be kept for six years after the conclusion of the Administration.
- Accurate mailing services have been engaged to outsource the posting of letters to all creditors given the large scale of creditors involved and as a result of the COVID-19 restrictions impeding on Kroll's ability to post from the office.
- AKD Services Ltd were instructed to provide a transcription of an interview held by the Joint Administrators with the Director regarding the conduct of the Company.
- Hospitality IT Solutions Ltd have provided a service in obtaining the company's book and records from their internal servers.
- Statutory advertising in the London Gazette is required under insolvency legislation.
- Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the Administrator.
- It is a statutory requirement for Insolvency Practitioners to have a bond on each case to which they are appointed. The cost is based on the value of assets.
- This is a statutory requirement to have open cover insurance of all assets and liabilities and the cost is based on the value of the assets.
- Sundry expenses may be incurred during the Administration of which an estimate has been provided above.
- Category 2 Expenses 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.
- Mileage is the reimbursement of staff expenses, at a specified rate, travelling by car to attend the company's premises and meetings.

## **Appendix 4**

### **Joint Administrators' Receipts and Payments Account**

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

Statement of Affairs £	From 15/04/2021 To 14/10/2021 £	From 15/04/2020 To 14/10/2021 £
POST APPOINTMENT SALES		
PAYE/NIC and Pension Contributions	NIL	5,065.32
Management Charges Income	72,196.38	138,567.21
HMRC JRS Grant	NIL	1,007,975.16
	72,196.38	1,151,607.69
OTHER DIRECT COSTS		
Attachment of Earnings Order	NIL	352.00
Wages & Salaries	39,013.48	904,670.14
PAYE/NIC	33,017.14	217,216.42
Post-Appointment Accrued Holidays	28,964.66	28,964.66
	(100,995.28)	(1,151,203.22)
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>(28,798.90)</b>	<b>404.47</b>

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

Statement of Affairs £	From 15/04/2021 To 14/10/2021 £	From 15/04/2020 To 14/10/2021 £
SECURED ASSETS		
Freehold Land & Property	500,000.00	500,000.00
	500,000.00	500,000.00
COSTS OF REALISATION		
Property Agents Fees	7,500.00	7,500.00
Property Agents Disbursements	5,593.00	5,593.00
Legal Fees	4,500.00	4,500.00
Legal Disbursements	40.00	40.00
LPA Receivers Fees	7,529.46	7,529.46
Insurance	2,113.00	2,113.00
Consultancy	1,750.00	1,750.00
	(29,025.46)	(29,025.46)
SECURED CREDITORS		
Stoneygate 2007 Limited	205,918.00	205,918.00
	(205,918.00)	(205,918.00)
ASSET REALISATIONS		
Cash at Bank	NIL	37,471.35
Coal Exchange Loan Settlement Sums	1,300,000.00	1,300,000.00
ECP PDQ	NIL	447.53
Trading Surplus/(Deficit)	(28,798.90)	404.47
Utilities Refund	NIL	18,959.54
West Africa House - Rent Receivable	NIL	13,333.33
	1,271,201.10	1,370,616.22
COST OF REALISATIONS		
Accountants Fees	1,250.00	1,250.00
Agents/Valuers Disbursements	40.00	40.00
Agents/Valuers Fees	2,100.00	2,100.00
IT Consultancy Work	NIL	250.00
Legal Disbursements	6,030.00	6,030.00
Legal Fees	200,000.00	200,000.00
Premises Licence Cost	NIL	448.00
Stationery & Postage	76.00	619.98
Statutory Advertising	NIL	94.50
Transcription Services	NIL	88.00
West Africa House - Ground Rent	NIL	13,333.33
	(209,496.00)	(224,253.81)
	<b>1,326,761.64</b>	<b>1,411,418.95</b>
REPRESENTED BY		
Fixed bank account		260,029.94
Fixed charge VAT control account		5,026.60
Floating/main current account		1,104,263.91
General VAT control account		40,643.90
VAT Receivable		1,454.60
		<b>1,411,418.95</b>

## **Appendix 5**

### **Analysis of the Joint Administrators' Time Costs**

**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			
<b>Administration and Planning</b> Strategy planning & control	0.90	1.80	0.00	0.20	0.00	2.90	1,535.00	529.31
<b>Investigations</b> Financial review and investigations (S238/239 etc)	1.10	0.00	0.00	1.00	0.00	2.10	835.00	397.62
<b>Realisation of Assets</b> Freehold and Leasehold Property	0.80	0.00	0.00	0.00	0.00	0.80	520.00	650.00
<b>Total Hours:</b>	<b>2.80</b>	<b>1.80</b>	<b>0.00</b>	<b>1.20</b>	<b>0.00</b>	<b>5.80</b>		<b>498.28</b>
<b>Total Fees Claimed: £</b>	<b>1,820.00</b>	<b>900.00</b>	<b>0.00</b>	<b>170.00</b>	<b>0.00</b>		<b>2,890.00</b>	

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

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	0.00	2.30	0.00	4.90	0.00	7.20	2,521.00	350.14
Cashiering & accounting	0.00	7.00	4.80	12.10	0.00	23.90	8,488.00	355.15
Dealings w/ directors & management (inc associated	0.00	14.50	0.00	0.00	0.00	14.50	7,250.00	500.00
IPS set up & maintenance	0.00	0.00	0.00	0.30	0.00	0.30	63.00	210.00
Insurance	0.00	0.00	0.00	2.20	0.00	2.20	726.00	330.00
Statutory matters (Meetings & Reports & Notices)	2.25	14.70	0.00	28.50	0.00	45.45	14,808.50	325.82
Strategy planning & control (incl engagement finan	0.00	57.25	0.00	20.10	0.00	77.35	36,982.00	478.11
Tax Compliance / Planning	0.00	1.30	0.00	7.35	0.00	8.65	2,411.50	278.79
<b>Creditors</b>								
Dealings with creditors and employees	0.00	75.90	0.00	56.95	0.00	132.85	54,561.50	410.70
Non Pref Creditors / Employee claims handling	0.00	1.60	0.00	15.90	0.00	17.50	5,865.00	335.14
Pref claims adjudication & distribution	0.00	0.00	0.00	1.05	0.00	1.05	346.50	330.00
Secured Creditors	3.25	14.05	0.00	7.60	0.00	24.90	11,645.50	467.69
<b>Investigations</b>								
Financial review and investigations (S238/239 etc)	0.00	3.80	2.25	18.20	0.00	24.25	7,142.50	294.54
<b>Realisation of Assets</b>								
Book debts	0.00	0.70	0.00	11.35	0.00	12.05	3,635.50	301.70
Freehold and Leasehold Property	0.00	23.00	0.00	9.70	0.00	32.70	13,799.00	421.99
Other Intangible Assets	0.00	25.70	0.00	0.00	0.00	25.70	12,850.00	500.00
Other Tangible Assets	0.00	1.50	0.00	0.00	0.00	1.50	825.00	550.00
Sale of business	0.00	0.00	0.00	0.45	0.00	0.45	85.50	190.00
<b>Trading</b>								
Trading - Accounting	0.00	0.00	0.00	6.95	0.00	6.95	2,293.50	330.00
Trading - Employees	0.00	1.30	0.00	26.50	0.00	27.80	9,395.00	337.95
Trading - Operations	0.00	0.50	0.00	0.00	0.00	0.50	250.00	500.00
<b>Total Hours:</b>	<b>5.50</b>	<b>245.10</b>	<b>7.05</b>	<b>230.10</b>	<b>0.00</b>	<b>487.75</b>		<b>401.73</b>
<b>Total Fees Claimed: £</b>	<b>3,575.00</b>	<b>123,341.00</b>	<b>2,833.50</b>	<b>66,195.00</b>	<b>0.00</b>		<b>195,944.50</b>	

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

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Dealings w/ directors & management (inc associated	0.80	0.00	0.00	0.00	0.00	0.80	600.00	750.00
Statutory matters (Meetings & Reports & Notices)	3.20	0.00	0.00	0.00	0.00	3.20	2,400.00	750.00
Strategy planning & control (incl engagement finan	6.00	13.50	0.00	0.00	0.00	19.50	11,379.00	583.54
<b>Investigations</b>								
Financial review and investigations (S238/239 etc)	2.60	177.20	21.60	141.85	0.00	343.25	145,412.50	423.63
Forensic Sales Ledger Investigation	0.00	3.00	0.00	0.00	0.00	3.00	1,530.00	510.00
<b>Realisation of Assets</b>								
Book debts	0.00	0.10	0.00	0.00	0.00	0.10	51.00	510.00
<b>Total Hours:</b>	<b>12.60</b>	<b>193.80</b>	<b>21.60</b>	<b>141.85</b>	<b>0.00</b>	<b>369.85</b>		<b>436.32</b>
<b>Total Fees Claimed: £</b>	<b>9,450.00</b>	<b>107,765.50</b>	<b>7,308.00</b>	<b>36,849.00</b>	<b>0.00</b>		<b>161,372.50</b>	



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

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review & Case Diary management	0.00	14.15	4.00	15.90	10.00	44.05	14,038.00	318.68
Cashiering & accounting	0.00	20.30	14.20	63.70	0.00	98.20	29,093.50	296.27
Dealings w/ directors & management (inc associated)	5.00	59.90	0.00	0.90	0.00	65.80	34,208.50	519.89
IPS set up & maintenance	0.00	0.00	0.00	0.55	0.00	0.55	115.50	210.00
Insurance	0.00	2.20	0.00	4.70	0.00	6.90	2,603.00	377.25
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)	4.05	100.90	0.00	64.00	0.00	168.95	64,335.50	380.80
Strategy planning & control (incl engagement finan	30.10	141.90	0.00	49.55	0.00	221.55	106,074.50	478.78
Tax Compliance / Planning	0.00	4.80	0.00	14.85	0.00	19.65	5,666.50	288.37
<b>Creditors</b>								
Creditors committee	2.90	0.00	0.00	0.20	0.00	3.10	1,935.00	624.19
Dealings with creditors and employees	0.80	267.20	0.00	243.30	0.00	511.30	189,948.00	371.50
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	41.30	0.00	106.70	0.00	148.00	42,675.00	288.34
Pref claims adjudication & distribution	0.00	0.00	0.00	1.05	0.00	1.05	346.50	330.00
Secured Creditors	18.55	65.20	0.00	23.40	0.00	107.15	51,807.50	483.50
<b>Investigations</b>								
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	6.55	2.25	18.40	0.00	27.20	8,986.00	330.37
Forensic Sales Ledger Investigation	7.20	2.50	0.00	0.00	0.00	9.70	6,675.00	688.14
<b>Realisation of Assets</b>								
Book debts	0.00	2.55	0.00	12.05	0.00	14.60	4,850.50	332.23
Freehold and Leasehold Property	4.20	167.35	0.00	21.60	0.00	193.15	90,768.00	469.94
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	63.05	0.00	0.00	0.00	63.75	32,081.00	503.23
Other Tangible Assets	0.00	13.35	0.00	0.50	0.00	13.85	7,220.00	521.30
Sale of business	0.00	3.10	0.00	7.80	0.00	10.90	3,138.00	287.89
<b>Trading</b>								
Trading - Accounting	0.00	9.95	0.00	20.30	0.00	30.25	11,643.00	384.89
Trading - Employees	0.00	11.30	0.00	113.05	0.00	124.35	36,637.50	294.63
Trading - Operations	1.30	1.25	0.00	0.65	0.00	3.20	1,656.50	517.66
Trading - Retention of Title & Claims handling	0.00	0.00	0.00	0.90	0.00	0.90	225.00	250.00
<b>Total Hours:</b>	<b>74.80</b>	<b>1,029.00</b>	<b>20.45</b>	<b>832.75</b>	<b>10.00</b>	<b>1,967.00</b>		<b>392.58</b>
<b>Total Fees Claimed: £</b>	<b>50,310.00</b>	<b>507,902.50</b>	<b>7,875.00</b>	<b>204,211.50</b>	<b>1,900.00</b>		<b>772,199.00</b>	

118037 SIGNATURE LIVING HOTEL LIMITED

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

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Dealings w/ directors & management (inc associated	0.80	0.80	0.00	0.00	0.00	1.60	1,008.00	630.00
Statutory matters (Meetings & Reports & Notices)	3.20	0.00	0.00	0.00	0.00	3.20	2,400.00	750.00
Strategy planning & control (incl engagement finan	7.10	15.80	0.00	0.00	0.00	22.90	13,267.00	579.34
<b>Investigations</b>								
Financial review and investigations (S238/239 etc)	22.50	456.50	329.55	360.30	54.80	1,223.65	501,555.75	409.88
Forensic Sales Ledger Investigation	0.50	3.00	0.00	0.00	0.00	3.50	1,905.00	544.29
<b>Realisation of Assets</b>								
Book debts	0.00	1.20	0.00	0.00	0.00	1.20	612.00	510.00
<b>Total Hours:</b>	<b>34.10</b>	<b>477.30</b>	<b>329.55</b>	<b>360.30</b>	<b>54.80</b>	<b>1,256.05</b>		<b>414.59</b>
<b>Total Fees Claimed: £</b>	<b>25,095.00</b>	<b>265,224.50</b>	<b>119,600.25</b>	<b>94,151.50</b>	<b>16,676.50</b>		<b>520,747.75</b>	

**Appendix 6**

**Notice of Business by Correspondence**

## Notice of seeking a decision of Creditors by correspondence

Name of Company

**Signature Living Hotel Limited**

Company Number

**08124207**

In the **High Court of Justice**

**Business and Property Courts of England  
and Wales Insolvency and Companies List**

Court case number

**CR-2020-002191**

(a) Insert full  
name(s) and  
address(es) of  
the administrators

We (a)

Matthew Ingram, and

Michael Vincent Lennon

(b) insert full name  
and address of  
registered office  
of the company

hereby give notice to the creditors of (b) Signature Living Hotel Limited,

The Chancery, 58 Spring Gardens, Manchester M2 1EW

(c) insert number of  
decisions enclosed

that, enclosed are (c) proposed decisions for your consideration. Please indicate below  
whether you are in favour or against each proposed decision.

Repeat as  
necessary for  
the number of  
decisions required

### **Proposed Decision 1**

That a creditors' committee will not be established unless requested by the creditors and  
sufficient creditors are willing to act as members of the Committee

I am \*in Favour/Against

\*delete as  
applicable

### **Proposed Decision 2**

That the Joint Administrators' remuneration be fixed by reference to the time properly  
given by them and their staff in attending to matters arising in the Administration.

I am \*in Favour/Against

### **Proposed Decision 3**

That the Joint Administrators' Revised Fee Estimate in the total sum of £2,007,979, is  
approved

I am \*in Favour/Against

### **Proposed Decision 4**

That the Joint Administrators be authorised to draw their company's internal costs and pay  
expenses to associates in dealing with the Administration ("Category 2 Expenses").

I am \*in Favour/Against

### **Proposed Decision 5**

That the Joint Administrators be discharged from all liability in respect of any actions as  
Joint Administrators upon filing their final Receipts and Payments account with the  
Registrar of Companies or their appointment otherwise ceasing

I am \*in Favour/Against

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor: \_\_\_\_\_

Signature: \_\_\_\_\_

Dated: \_\_\_\_\_

Only to be  
completed if the  
creditor has not  
signed in person

Name in CAPITAL LETTERS and position with creditor or relationship to creditor or other  
authority for signature

—

**Decision Date**

(d) insert  
closing/decision  
date

The decisions date is (d) 26 November 2021.

(e) insert address to  
which form is to be  
delivered

This form must be received at (e) Kroll Advisory Ltd., The Chancery, 58 Spring Gardens,  
Manchester, M2 1EW by 23:59 hours on 26 November 2021 in order to be counted.

**Further Information and Guidance**

Copies of the following documents are available on the Website at  
<https://micro.kroll.com/ukrestructuring/cases?caseId=1641>.

- Creditors' Committee Nominations Forms
- Proof of Debt Form
- Notice of the Extension of the Administration
- The Joint Administrators' Revised Resolutions Form
- The Joint Administrators' Statement of Proposals and Progress Reports to Creditors

Creditors can access the website at [www.kroll.com/ukrestructuring](http://www.kroll.com/ukrestructuring).

Alternatively, paper copies of these documents can be requested free of charge. Requests can be made in writing to Callum O'Brien at The Chancery, 58 Spring Gardens, Manchester, M2 1EW or by email to [Signaturelivinghotel@kroll.com](mailto:Signaturelivinghotel@kroll.com) or on +44 (0) 161 827 9000.

**Creditors Committee**

Should you wish for a creditors' committee be established, you must also submit your nomination(s) for membership. Nominations can be submitted using a paper form which is available on the Website at <https://micro.kroll.com/ukrestructuring/cases?caseId=1641>. Any nominations for membership can only be accepted if they are received by 23:59 on the decision date and the Joint Administrators are satisfied as to the creditors' eligibility under Rule 17.4.

Please note that where a Creditors' Committee is formed as part of this decision procedure, any votes cast by creditors in relation to proposed decision(s) will be disregarded and requisite approval(s) will be sought from the Committee.

## **Voting**

In order to be entitled to vote we must receive from you by 23:59 hours on the decision date, a proof in respect of your claim in accordance with the Insolvency (England and Wales) Rules 2016, failing which your vote will be disregarded. A proof of debt form is available on <https://micro.kroll.com/ukrestructuring/cases?caseId=1641>.

## ***Small debts***

Any creditor whose debt is treated as a small debt (i.e. £1,000 or less) must still deliver a proof of debt by 23:59 hours on the decision date if they wish to vote.

## ***Opted out creditors***

Any creditor who has opted out from receiving notices may still vote if they submit their vote and provide a proof of debt by 23:59 hours on the decision date.

## ***Delivery of documents***

Please allow sufficient time for documents to be delivered by the stated deadlines.

Unless there are exceptional circumstances, a creditor will not be entitled to vote unless a proof of debt, clearly setting out the name and address of the creditor and the amount claimed, has been lodged and admitted for voting purposes.

Unless the contrary is shown, an email is treated as delivered by 9am on the next business day after it was sent.

## **Request for a Physical Meeting**

Creditors who meet one of the thresholds set out in the Insolvency Act 1986 may, within five business days from the date of delivery of this notice, require a physical meeting to be held to consider the proposed decision(s).

In order to do so a creditor must complete and return the physical meeting requisition form, available on <https://micro.kroll.com/ukrestructuring/cases?caseId=1641>. The statutory thresholds for requesting a meeting are 10% in value of creditors, 10% in number of creditors, or 10 creditors.

## **Termination of Correspondence Procedure**

If sufficient creditors request a physical meeting, the decision by correspondence procedure will be terminated without a decision being made. The Joint Administrators will then take the necessary steps to convene a physical meeting.

## **Appeals**

A creditor may appeal a decision in accordance with Rule 15.35 by applying to court not later than 21 days after the decision date.

If you require any further details or clarification prior to returning your votes, please contact my office at the details shown.

## **Authentication**

Signed

  
\_\_\_\_\_  
**Matthew Ingram**  
Joint Administrator

Dated

\_\_\_\_\_  
5 November 2011

Address and  
contact details for  
correspondence

Administrators' postal address: Kroll Advisory Ltd., The Chancery, 58 Spring Gardens,  
Manchester M2 1EW

Alternative contact name and details:

Callum O'Brien

[Callum.O'Brien@Kroll.com](mailto:Callum.O'Brien@Kroll.com) or [Signaturelivinghotel@kroll.com](mailto:Signaturelivinghotel@kroll.com)

+44 (0) 161 827 9000

References in this notice to rules and sections are, unless expressly provided otherwise, respectively references to rules of the Insolvency Rules (England and Wales) 2016 and to sections of the Insolvency Act 1986

**Appendix 7**

**Voting Form**



**VOTING FORM: Business by Correspondence**

**Signature Living Hotel Limited (In Administration)**

Company number: 08124207

**Creditor Name**

**Address**

Ref

**Decisions**

\* Please delete as applicable to indicate your voting instructions

1. That a creditors' committee will not be established unless requested by the creditors and sufficient creditors are willing to act as members of the Committee **\*For/Against**
2. That the Joint Administrators remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration; **\*For/Against**
3. That the Joint Administrators' Revised Fee Estimate in respect of the Company, in the total sum of £2,007,979 for the duration of the Administration is approved; **\*For/Against**
4. That the Joint Administrators' be authorised to draw their company's internal costs and expenses to associates in dealing with the Administration ("Category 2 Expenses"); and **\*For/Against**
5. That the Joint Administrators be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing. **\*For/Against**

**Signature .....**

**Date .....**

**Name in CAPITAL LETTERS**

\_\_\_\_\_

Only to be completed if the creditor has not signed in person **Position with creditor or relationship to creditor or other authority for signature**  
.....

Are you the sole member/shareholder of the creditor (where it is a company)?

**\*YES / NO**

**Once a vote has been cast, it cannot be changed**

To vote please send this completed form together with a completed proof of debt if you have not already lodged one, to the Joint Administrators as follows:

By post to: Matthew Ingram, Joint Administrator, Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW,

or by email to: [Signaturelivinghotel@Kroll.com](mailto:Signaturelivinghotel@Kroll.com)

**Voting forms and proofs of debt to be received on or before 23:59 hours on 26 November 2021 (Decision Date)**