

AM10

Notice of administrator's progress report



Companies House

FRIDAY



A10 22/05/2020 #2
COMPANIES HOUSE

1	Company details	
Company number	0 8 2 0 3 3 0 0	→ Filling in this form Please complete in typescript or in bold black capitals
Company name in full	Manchester Terminal 2 Hotel Limited	
2	Administrator's name	
Full forename(s)	Matthew	
Surname	Ingram	
3	Administrator's address	
Building name/number	35 Newhall Street	
Street		
Post town	Birmingham	
County/Region		
Postcode	B 3 3 P U	
Country		
4	Administrator's name ^①	
Full forename(s)	Steven	① Other administrator Use this section to tell us about another administrator.
Surname	Muncaster	
5	Administrator's address ^②	
Building name/number	The Chancery	② Other administrator Use this section to tell us about another administrator.
Street	58 Spring Gardens	
Post town	Manchester	
County/Region		
Postcode	M 2 1 E W	
Country		

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 2	^d 5	^m 1	^m 0	^y 2	^y 0	^y 1	^y 9
To date	^d 2	^d 4	^m 0	^m 4	^y 2	^y 0	^y 2	^y 0

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

^d 2	^d 2	^m 0	^m 5	^y 2	^y 0	^y 2	^y 0
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AM10

Notice of administrator's progress report



Presenter information

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

Contact name **Sam Bevan**

Company name **Duff & Phelps Ltd.**

Address
The Chancery
58 Spring Gardens

Post town **Manchester M2 1EW**

County/Region

Postcode

Country

DX

Telephone **+44 (0) 161 827 9000**



Checklist

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Please make sure you have remembered the following:

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



Important information

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Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



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

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DUFF & PHELPS

Progress Report to Creditors

22 May 2020

**Manchester Terminal 2 Hotel
Limited**

(In Administration)

*Joint Administrators' Progress Report for the period from 25 October 2019
to 24 April 2020*

Duff & Phelps Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW

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1. Introduction

The Joint Administrators were appointed on 25 April 2018 by the Directors of the Company.

This Progress Report provides an update on the Administration of the Company. It should be read in conjunction with the Joint Administrators' previous progress reports.

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.

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 period from 25 October 2019 to 24 April 2020.

2.1 Summary of Proposals

The Joint Administrators sought approval of the Proposals, which are summarised in Appendix 2, by means of the process set out in Rule 15.7 (Deemed Consent) of the Rules. In accordance with Paragraph 52(1)(b) of Schedule B1 to the Act, a Creditors' meeting was not required to be held as it was anticipated that there would be insufficient realisations to enable a distribution to Unsecured Creditors, other than the Prescribed Part, if any.

No meeting was convened and the Proposals were deemed to have been approved by Creditors on 29 June 2018.

As advised in the Proposals, the Joint Administrators must perform their functions with the purpose of achieving one of 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 have achieved a going concern sale of the business and assets of the Company, however, due to the level of the Company's liabilities and expected total realisations, it has not been possible to achieve the first hierarchical objective in this instance.

The Joint Administrators have achieved the second objective as a better result for the Company's Creditors as a whole than if the Company were wound up without first being in Administration, for reasons set out below:

- The continued trading during the Administration protected the goodwill of the business and enhanced the price obtained for the Hotel when it was sold as a going concern. This would not have been achievable in a cessation of trade scenario, and
- The sale of the business and assets of the Company as a going concern has minimised the Company's liabilities, particularly in respect of employee claims. The sale of the Hotel resulted in the employees of the Company transferring to the Purchaser under TUPE, therefore avoiding a number of redundancies. Continued trading also enabled pre-booked wedding functions and events to be held and has thereby reduced the value of Unsecured claims for deposits paid prior to the Appointment Date.

The third objective has also been achieved as the sale of the business and assets of the Company has enabled a distribution to be made to TCF under its fixed charge. Furthermore, a distribution will be made to the investors whose investments are secured under the charge held by the Security Trustees.

2.2 Progress to date

The progress of the Administration to date is set out in Section 3 of this report. This section includes any update on the Administration during the Reporting Period.

On 24 March 2020, the Court ordered, upon the request of the Joint Administrators, that the duration of the Administration of the Company is extended for a period of 12 months from 24 April 2020 to 24 April 2021.

The extension was required to allow the Joint Administrators to facilitate the distribution to the loan note holders.

2.3 Outcome for Creditors

As detailed in the Previous Progress Report, following the completion of the sale of the Hotel to the Purchaser, a first and final distribution was paid to TCF under its fixed charge totalling £1,085,495 in order to settle its liability in full, inclusive of interest and charges applicable.

In consideration for the monies advanced under the loan notes, the Company granted the Security Trustees a debenture on 3 February 2015, which confers fixed and floating charges over all of the assets of the Company. The Security Trustees act on behalf of approximately 245 loan note holders who have invested funds into the Hotel by way of bond payments. The Joint Administrators made an application to Court for directions to confirm the most appropriate approach to agreeing the claims of individual investors and any subsequent distribution. The Court has provided consent for the Joint Administrators to distribute directly to the loan note holders rather than remitting the funds to the Security Trustee to distribute.

The Joint Administrators circulated a copy of the Court Order to the loan note holders on 15 April 2020, together with a request for Proof of Debts to be submitted. It is anticipated that a distribution will be made to the loan note holders once all claims have been adjudicated.

Please note, this Progress Report provides Creditors with an account of the progress of the Administration of the Company in the period. The Joint Administrators' previous progress reports and the Statement of Proposals issued to the Company's Creditors are available to view at <https://micro.duffandphelps.com/ukrestructuring> and paper copies can be provided free of charge by writing to Sam Bevan of this office.

Unless otherwise stated, all amounts in this Progress Report and appendices are stated net of VAT.

3. Progress of the Administration

3.1 Strategy and progress to date

The manner in which the affairs and business of the Company have been managed since the Appointment Date and will continue to be managed and financed, are set out below

3.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account at Appendix 3

Summaries of the most significant realisations during the Administration are provided below

3.2.1 Administration trading period

A trading account is enclosed at Appendix 3 and is self-explanatory. In the Reporting Period, there has been one transactional entry purely for accounting purposes and does not reflect any trading activity during the period.

3.2.2 Bank interest

The Joint Administrators have received gross bank interest of £388 and £118 from the Administration estate account and the Licensed Solutions trading account, respectively.

3.2.3 Other matters

The Joint Administrators are not aware of any other assets available in the Administration, however they will continue to investigate the potential to enhance realisations for the benefit of Creditors.

3.2.4 Investigations

The Joint Administrators reviewed the affairs of the Company to find out if there were any actions which could be taken against third parties to increase recoveries for Creditors.

The Joint Administrators have a statutory obligation to file a report with DBEIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators' appointment. The Joint Administrators have filed their confidential report with DBEIS regarding the conduct of the Directors of the Company. The content of this report is confidential and has been submitted to the Insolvency Practitioners' Compliance Unit.

There are no outstanding lines of enquiry.

3.3 Costs

There has been one payment of £408 made in the Reporting Period, in respect of the stationery and postage costs incurred in corresponding with the loan note holders. This is shown in the attached receipts and payments account at Appendix 3.

3.4 Schedule of expenses

The Joint Administrators have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached at Appendix 4.

4. Outcome for Creditors

4.1 Secured Creditors

4.1.1 TCF

In consideration for the monies advanced under a loan facility, the Company granted TCF a debenture which was created on 26 June 2017 and delivered on 3 July 2017, which confers fixed and floating charges over all the assets of the Company.

As at the Appointment Date, the Company's indebtedness to TCF was approximately £1,007,421, subject to the application of accruing interest and charges

TCF have a legal charge registered at the Land Registry that overarches the security registered at Companies House in favour of PK & DF in respect of the Hotel lease. As such, TCF rank ahead of PK & DF in respect of fixed charge distributions made in respect of the consideration received for the leasehold interest.

Following completion of the sale of the business and assets of the Company, TCF were repaid in full under its fixed charge totalling £1,085,495 inclusive of interest and charges

No further distributions will be made to TCF from the Administration estate

4.1.2 PK & DF

In consideration for the monies advanced under the Loan Notes, the Company granted PK & DF a debenture which was created on 3 February 2015 and delivered on 4 February 2015, which confers fixed and floating charges over all of the assets of the Company

At the Appointment Date, the Company's indebtedness to PK & DF totalled approximately £7.7m

The Security Trustees act on behalf of approximately 245 loan note holders who have invested funds into the Hotel by way of bond payments. There is only one Security Trustee who resides in Canada which has therefore led to some difficulty in establishing communication. In addition, the investment company which facilitated most of the investments by the loan note holders has been placed into Liquidation

The Security documentation names the Security Trustee as the person who is entitled to enforce the security documentation; however these powers are vested in the Security Trustee to allow monies to be recovered from the Company's assets for the benefit of the individual loan note holders. In light of this and upon confirmation from the Security Trustee, the Joint Administrators sought legal advice in respect of making any future distributions directly to the investors.

The Joint Administrators made an application to Court for directions to confirm the most appropriate approach to agreeing the claims of individual investors and any subsequent distribution. The Court hearing was held on 24 March 2020, in which the Court provided consent for the Joint Administrators to distribute funds directly to the loan note holders, without paying the monies to the Security Trustee. Loan note holders were provided with a copy of the Court Order on 15 April 2020 together with a request for Proof of Debts to be submitted.

A full and final distribution will be made to the loan note holders once the process of the submission of these Proof of Debt forms has been completed and all claims of the loan note holders have been adjudicated

Loan note holders will not be repaid in full. It is anticipated that a dividend of approximately 4 to 5 pence in the pound will be made from the fixed charge realisations

4.2 Preferential Creditors

Preferential Creditors' claims consist of employee claims for arrears of pay and holiday pay for any employees who left prior to the Appointment Date. It is understood that only one employee has submitted a claim in this regard which has been paid by the RPS

The RPS submitted a subrogated preferential claim totalling £800 on 24 May 2018 in respect of payments made to the former employee of the Company, who left employment immediately prior to the Appointment Date and was owed arrears of wages. No other claims have been received to date

Following the sale of the business and assets of the Company, the Company's employees have been transferred to the Purchaser pursuant to TUPE

Based upon the current information available, it is anticipated that there will be insufficient realisations to enable a distribution to be made to Preferential Creditors of the Company in this instance

4.3 Unsecured Creditors

According to the Company's books and records, Unsecured Creditors total £539,231

Unsecured claims received to date total £1,026,579 and can be summarised as follows

Unsecured Creditors	Claim
Trade & Expenses Creditors	£326,744
Inter-Company Loan	To be confirmed
HMRC	£699,835
Total	£1,026,579

Based upon current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the Unsecured Creditors of the Company.

4.4 Prescribed part

The Company granted a fixed and floating charge to PK & DF on 3 February 2015, and a fixed and floating charge to TCF on 26 June 2017, therefore the Prescribed Part provisions will apply

The Prescribed Part is calculated as a percentage of the net property as follows

Net property less than £10,000	50% unless the Joint Administrator considers that the costs of making a distribution to the Unsecured Creditors would be disproportionate to the benefits
Net property greater than £10,000	50% up to £10,000 plus 20% thereafter to a maximum of £600,000

Based upon the current information available, the Joint Administrators are of the opinion that following the discharge of the costs of the Administration, there will be insufficient funds to enable a Prescribed Part distribution to be made to Unsecured Creditors

5. Other matters

5.1 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.

5.2 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. Joint Administrators' fees and expenses and pre-Administration costs

6.1 Fees and expenses

The Joint Administrators have received consent from the Secured Creditors in respect of the basis of their remuneration. This will be drawn on the basis of time properly given by the Joint Administrators and their staff in accordance with the fee estimate provided in the Joint Administrators' Proposals and Duff & Phelps Ltd.'s usual charge-out rates for work of this nature.

Upon review of our hourly rates, inflation and industry averages, Duff & Phelps Ltd.'s hourly charge out rates have been revised to reflect market rates. Rate changes apply to all appointments held by employees of Duff & Phelps with effect from 1 February 2020.

As part of the Court Order made on 24 March 2020, the Court also provided consent to the Joint Administrators' revised fee estimate of £332,515 which is anticipated to cover the lifetime of the Administration.

6.1.1 Time costs

Time has been charged in six minute units. Details of the time charged for the Reporting Period are attached at Appendix 5.

Time costs incurred in the Reporting Period total £42,268 which represents 125 hours at an average hourly rate of £339.

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

As stated above, the Joint Administrators originally received consent from the Secured Creditors of the Company in respect of the Joint Administrators' fee estimate in the sum of £268,950. However, the Court provided sanction to the Joint Administrators' revised fee estimate of £332,515 for the lifetime of the Administration.

During the Reporting Period remuneration of £23,950 has been drawn by the Joint Administrators in relation to the time spent dealing with the Administration.

Details of this and the total fees drawn by the Joint Administrators are detailed in the receipts and payments account attached at Appendix 3.

6.1.3 Expenses

Details of the expenses charged for the reporting period are attached at Appendix 4.

6.1.4 Additional information

Also attached at Appendix 6 is the 'Fee Narrative', a summary of key issues 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

No further pre-Administration remuneration or disbursements are to be drawn and therefore none have been paid during the Reporting Period

7. Future strategy

7.1 Future conduct of the Administration

The Joint Administrators will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to

- Agreeing claims and paying a first and final distribution to the loan note holders,
- Dealing with other statutory matters and duties, including accounting for VAT and completing corporation tax returns,
- Finalising the matters of the Administration and proceeding to close

7.2 Extension of the Administration

An Administration automatically comes to an end after one year unless an extension is granted by the Court or with the Creditors' consent

On 24 March 2020, the Court ordered, upon the request of the Joint Administrators, that the duration of the Administration of the Company is extended for a period of 12 months from 24 April 2020 to 24 April 2021

As referred to above, the extension was required to allow the Joint Administrators to facilitate the distribution to the loan note holders

7.3 Future reporting

The Joint Administrators will provide a further progress report within one month of 24 October 2020 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 Sam Bevan



Matthew Ingram
Joint Administrator

Enc

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

Appendix 1 – Statutory information

COMPANY INFORMATION

Company and trading name	Manchester Terminal 2 Hotel Limited	
Date of incorporation	5 September 2012	
Registered Number	08203300	
Company Directors	Miss Christine Adamson Mr Donald Fuller	
Shareholders	Miss Christine Adamson – 1 Ordinary Share Mr Donald Fuller – 1 Ordinary Share	
Trading address	Etrop Grange Hotel Thorley Lane Manchester M90 4EG	
Registered office	Current: The Chancery 58 Spring Gardens Manchester M2 1EW	Former: Unit 2 3 Waulk Mill 51 Bengal Street Ancoats Manchester M4 6LN
Any Other trading names	Etrop Grange Hotel	

ADMINISTRATION INFORMATION

Administration Appointment	The Administration appointment granted in Manchester County Court, 8101 of 2018.
Appointor	Directors
Date of Appointment	25 April 2018
Joint Administrators	Matthew Ingram and Steven Muncaster
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1
Current Administration expiry date	24 April 2021
Prescribed part	The Prescribed Part is applicable in this case. It has been taken into account when determining the dividend prospects for Unsecured Creditors Section 4
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations

Appendix 2 – Approved Proposals

The Joint Administrators proposed the following for the Company

- That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect.
- That the Joint Administrators 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.
- That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration will cease

That the Joint Administrators, where they consider that there are funds available to be distributed to the non-preferential creditors (other than under the prescribed part) take the necessary steps to put the Company into Creditors' Voluntary Liquidation. It is proposed that the Joint Administrators, currently Matthew Ingram and Steven Muncaster of Duff & Phelps would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules 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. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act 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.

The Joint Administrators sought specific agreement to the following proposals from the Secured Creditors and preferential creditors

- 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.
- 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.
- That the Joint Administrators' Fee Estimate in the total sum of £268,950 is approved.
- That the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements")
- That the unpaid Pre- Administration Costs totalling £23,220 plus VAT as detailed in the Joint Administrators' statement of pre-Administration costs is approved for payment as an expense of the Administration.

N.B. It should be noted that Court order was obtained on 24 March 2020 consenting the Joint Administrators revised fee estimate of £332,515

Appendix 3 – Receipts and Payments account

Manchester Terminal 2 Hotel Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 25/10/2019 To 24/04/2020 £	From 25/04/2018 To 24/04/2020 £
POST APPOINTMENT SALES		
Sales	NIL	1,216,059.94
Events Receivables	(6,198.95)	NIL
	(6,198.95)	1,216,059.94
PURCHASES		
Food	NIL	97,049.66
Liquor	NIL	63,986.40
Other Purchases	NIL	49,163.09
	NIL	(210,199.15)
OTHER DIRECT COSTS		
Staff Wages	NIL	443,582.88
Agency Staff	NIL	21,337.49
Attachment of Earnings	NIL	3,088.27
Tax/NI	NIL	70,358.41
	NIL	(538,367.05)
TRADING EXPENDITURE		
Waste Disposal	NIL	7,672.02
Rents	NIL	52,666.65
Heat & Light	NIL	60,996.71
Travel	NIL	1,203.70
Telephone & Internet	NIL	44,246.49
Laundry	NIL	34,752.84
Professional Fees	NIL	815.00
Bank charges - trading account	NIL	1,362.62
Equipment Rental	NIL	2,120.46
Hire of Equipment	NIL	14.63
Repairs & Maintenance	NIL	22,329.39
Sundry Expenses	NIL	4,324.79
Sales Commission	NIL	9,636.60
Vehicle Rental	NIL	3,690.69
Car Parking	NIL	22,715.70
Stationery	NIL	695.18
Ransom Payments	NIL	8,908.22
PDQ Set Up & Rentals	NIL	4,635.00
Credit Card Commissions	NIL	32,756.41
Function Costs	NIL	9,978.69
Marketing Fees	NIL	900.86
Travel Agents Subscriptions & Commi	NIL	99,441.86
	NIL	(425,864.51)
TRADING SURPLUS/(DEFICIT)	(6,198.95)	41,629.23

Manchester Terminal 2 Hotel Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 25/10/2019 To 24/04/2020 £	From 25/04/2018 To 24/04/2020 £
SECURED ASSETS		
Leasehold Land & Property	NIL	1,600,000.00
Goodwill	NIL	160,000.00
Intellectual Property	NIL	3.00
Gross bank interest - fixed account	387.92	1,328.88
	387.92	1,761,331.88
COSTS OF REALISATION		
Agents/Valuers Fees	NIL	56,569.20
Property Agents Fees	NIL	36,349.99
Property Agents Disbursements	NIL	146.58
Joint administrators' remuneration	23,950.00	190,943.00
Joint administrators' disbursements	NIL	482.00
Legal Fees	NIL	3,000.00
Marketing Advertisement	NIL	1,891.89
Insurance	NIL	16,182.50
	(23,950.00)	(305,565.16)
SECURED CREDITORS		
Together Commercial Finance	NIL	1,085,495.01
	NIL	(1,085,495.01)
ASSET REALISATIONS		
Bank Interest on LS trading account	117.89	534.04
Cash at Bank	NIL	55,605.31
Debtors	NIL	16,249.38
Furniture & Equipment	NIL	59,997.00
Stock	NIL	3,736.00
Sundry Refund	NIL	637.00
Trading Surplus/(Deficit)	(6,198.95)	41,629.23
	(6,081.06)	178,387.96
COST OF REALISATIONS		
Accountants Fees	NIL	1,050.00
Agents/Valuers Disbursements	NIL	22.00
Agents/Valuers Fees	NIL	2,250.00
Bank Charges	NIL	167.30
Contribution to Landlord costs	NIL	(2,500.00)
Joint administrators' disbursements	NIL	313.20
Joint administrators' pre-appt remuner	NIL	16,181.00
Joint administrators' remuneration	NIL	78,007.00
Landlord's agent's costs	NIL	500.00
Landlord's legal costs	NIL	2,000.00
Legal Fees	NIL	16,599.00
Pre-Appointment Legal fees	NIL	5,162.00
Stationery & Postage	408.36	408.36
Statutory Advertising	NIL	84.60
	(408.36)	(120,244.46)
	(30,051.50)	428,415.21
REPRESENTED BY		
Fixed bank account		288,078.83

Manchester Terminal 2 Hotel Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 25/10/2019 To 24/04/2020 £	From 25/04/2018 To 24/04/2020 £
REPRESENTED BY CONTINUED		
Fixed charge VAT receivable		59,694.55
Floating/main current account		75,036.24
Trustee account		9.97
VAT Receivable		5,595.62
		428,415.21

Appendix 4 – Schedule of expenses

A summary of expenses incurred during the period of this report is set out below

Schedule of Expenses	Incurred in the prior period but not accrued for (£)	Incurred and paid in the period (£)	Incurred in the period and not yet paid (£)
Expenses			
Legal Fees & Disbursements	0.00	0.00	1,072.00
Stationery & Postage	0.00	408.36	0.00
Total	0.00	408.36	1,072.00

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 basis of their fee

The above costs exclude VAT

Appendix 5 – Analysis of time charged

87060 MANCHESTER TERMINAL 2 HOTEL LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 25/10/2019 to 24/04/2020

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.00	0.80	4.60	0.00	0.00	5.40	1,844.50	341.57
Cashiering & accounting	0.00	0.90	6.00	6.60	0.00	13.50	3,852.50	285.37
IPS set up & maintenance	0.00	0.10	0.00	0.40	0.00	0.50	150.00	300.00
Statutory matters (Meetings & Reports & Notices)	1.00	3.80	4.10	12.00	0.00	20.90	5,967.25	285.51
Strategy planning & control	0.50	20.10	6.65	0.80	0.00	28.05	12,006.75	428.05
Tax Compliance / Planning	0.00	0.10	0.40	3.75	0.00	4.25	1,101.50	259.18
Creditors								
Communications with Creditors / Employees	0.80	0.00	11.10	17.45	0.00	29.35	8,285.75	282.31
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	0.60	0.00	0.60	90.00	150.00
Secured Creditors	3.60	6.70	11.20	0.00	0.00	21.50	8,763.00	407.58
Realisation of Assets								
Book debts	0.00	0.00	0.70	0.00	0.00	0.70	206.50	295.00
Total Hours:	5.90	32.50	44.75	41.60	0.00	124.75		338.82
Total Fees Claimed: £	3,715.00	14,753.25	14,989.50	8,810.00	0.00		42,267.75	

Category 2 Disbursements:

Appendix 6 – Fee narrative for work carried out for the period from 25 October 2019 to 24 April 2020

The key areas of work have been

SIP 9 narrative for the period 25 October 2019 to 24 April 2020	
Administration and planning	<ul style="list-style-type: none"> Monitoring and reviewing the Administration strategy, Briefing staff on the Administration strategy and matters in relation to workstreams; Regular case management and reviewing of process including regular team update meetings and calls, Meeting with management to review and update strategy and monitor progress, Reviewing and authorising junior staff correspondence and other work, Reviewing matters affecting the outcome of the Administration, Allocating and managing staff/ case resourcing and budgeting exercises and reviews, Liaising with legal advisors regarding various instructions, including agreeing content of engagement letters, and Complying with internal filing and information recording practices, including documenting strategy decisions
Creditors	<ul style="list-style-type: none"> Updating the list of Unsecured Creditors Responding to enquiries from Creditors regarding the Administration and submission of their claims Reviewing completed forms submitted by Creditors recording claim amounts and maintaining claim records, and Drafting progress statutory progress reports, Providing written and oral updates to the Secured Lenders regarding the progress of the Administration and cases strategy, Filing notice of the extension of the Administration and
Statutory and compliance	<ul style="list-style-type: none"> Ensuring compliance with all statutory obligations within the relevant timescales, Uploading information to the Creditors' Website, Drafting and publishing progress reports, Running decision procedures, Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9, Monitoring the fees estimate, and Monitoring the expenses estimate
Cashiering	<ul style="list-style-type: none"> Preparing statutory receipts and payments accounts, Maintaining accounting procedures
Tax	<ul style="list-style-type: none"> Working on tax returns relating to the periods affected by the Administrator, Analysing VAT related transactions, reviewing the Company's duty position to ensure compliance with duty requirements, and Dealing with post appointment tax compliance,

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 Sam Bevan at Sam.Bevan@duffandphelps.com

Information for Creditors on remuneration and disbursements of Administrators

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

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

(click on the document 'Administration (appointment from 1 October 2015) Should you require a copy, please contact this office

Creditors' requests for further information

If you would like to request more information about the Joint Administrators' remuneration and disbursements disclosed in this progress report you must do so in writing within 21 days of receiving this progress report

Requests from Unsecured Creditors must be made with the concurrence of at least 5% in value of Unsecured Creditors (including the Unsecured Creditor making the request) or with the permission of the Court

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of the Joint Administrators' remuneration the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report

Applications by Unsecured Creditors (including the Unsecured Creditors making the challenge) or with the permission of the Court

The full text of the relevant rules can be provided on request by writing to Sam Bevan of this office.

Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Appointment Date	25 April 2018, being the date of appointment of the Joint Administrators
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Company	Manchester Terminal 2 Hotel Limited (In Administration) (Company Number 08203300)
DBEIS	Department for Business, Energy & Industrial Strategy
the Directors	Christine Adamson and Donald Fuller, the Directors of the Company
Duff & Phelps	Duff & Phelps Ltd The Chancery, 58 Spring Gardens, Manchester, M2 1EW
EC Regulation	EC Regulation on Insolvency Proceedings 2000
HMRC	HM Revenue and Customs
the Hotel	Etrop Grange Hotel, Thorley Lane, Manchester, M90 4EG The principal trading location of the business
the Joint Administrators	Matthew Ingram of Duff & Phelps Ltd., 35 Newhall Street Birmingham, B3 3PU and Steven Muncaster of Duff & Phelps Ltd. The Chancery, 58 Spring Gardens, Manchester, M2 1EW
Licensed Solutions	Licensed Solutions Limited, independent managing agents instructed to oversee and manage the ongoing trading of the Hotel on behalf of the Joint Administrators
PK & DF / the Security Trustees	Paul Kinsella and Donald Fuller as Security Trustee, the holders of a fixed and floating charge over the Company's assets
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to Unsecured Creditors
the Previous Progress Report	The Joint Administrators' Third Progress Report to Creditors published on 22 October 2019
the Proposals	The Joint Administrators' proposals and report issued on 15 June 2018
the Purchaser	GC Property 1 Limited the purchaser of the business and assets of the Company
the Reporting Period	The period of 25 October 2019 to 24 April 2020
the RPS	Redundancy Payments Service

the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditors	TCF and PK & DF, both of which hold fixed and floating charges over the Company's assets
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
TCF	Together Commercial Finance Limited, the holder of a fixed and floating charge over the Company's assets
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006

Appendix 9 – Notice about this report

This report has been prepared by Matthew Ingram and Steven Muncaster, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency Rules (England and Wales) 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 Rules (England and Wales) 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 Steven Muncaster are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

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

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Duff & Phelps Ltd 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.