

# AM10

## Notice of administrator's progress report



Companies House

FRIDAY



A20 \*A865Z9GY\* #207  
24/05/2019  
COMPANIES HOUSE

### 1 Company details

Company number 0 8 2 0 3 3 0 0

Company name in full Manchester Terminal 2 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 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

Surname Muncaster

① Other administrator  
Use this section to tell us about  
another administrator

### 5 Administrator's address ②

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester M2 1EW

County/Region

Postcode

Country

② Other administrator  
Use this section to tell us about  
another administrator

# AM10

## Notice of administrator's progress report

### 6 Period of progress report


From date	<sup>d</sup> 2	<sup>d</sup> 5	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8
To date	<sup>d</sup> 2	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9

### 7 Progress report

☐ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature  
X 

X

Signature date	<sup>d</sup> 2	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
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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

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



#### Important information

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



#### Where to send

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

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



#### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

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**Progress Report to  
Creditors  
Manchester Terminal 2 Hotel  
Limited  
(In Administration)**

23 May 2019

*Joint Administrators' Progress Report to Creditors  
For the period from 25 October 2018 to 24 April 2019*

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

## Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents	GVA Grimley Limited, independent agents who were instructed to value and sell the assets of the Company
the Appointment Date	25 April 2018, being the date of appointment of the Joint Administrators
the Bank / NatWest	National Westminster Bank Plc, with whom the Company banked
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
HMRC	HM Revenue and Customs
the Hotel	Etrop Grange Hotel, Thorley Lane, Manchester, M90 4EG. The principal trading location of the business
Hydro	Hydro Hotel Limited T/A The Hydro Hotel
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
the Notice	Notice to move from Administration to Dissolution – Form AM23
PK & DF / the Security Trustees	Paul Kinsella and Donald Fuller as Security Trustees, 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 non-preferential creditors
the Previous Progress Report	The Joint Administrators' First Progress Report to Creditors published on 22 November 2018

**DUFF & PHELPS**

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 Qualifying Floating Charge Holders / QFC's	TCF and PK & DF
the Reporting Period	The period of 25 October 2018 to 24 April 2019
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
the Solicitors	Clarke Wilmott LLP, the Joint Administrators' solicitor
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

## **Contents**

- 1 Introduction
- 2 Joint Administrators' Report and Statement of Proposals
- 3 Progress of the Administration
- 4 Investigations
- 5 Dividend Prospects / Prescribed Part
- 6 Joint Administrators' Receipts and Payments Account
- 7 Pre-Administration Costs
- 8 Joint Administrators' Costs and Expenses
- 9 Extension of the Administration and Conclusion
- 10 Next Report

## **Appendices**

- 1 Statutory Information
- 2 Joint Administrators' Receipts and Payments Account
- 3 Analysis of Time Charged and Expenses Incurred
- 4 Statement of Creditors' Rights

**Names of Joint Administrators:** Matthew Ingram  
Steven Muncaster

**Date of Appointment:** 25 April 2018

**Date of Report:** 23 May 2019

**Appointed by:** The Directors of the Company

**Court Reference:** High Court of Justice  
Chancery Division  
Birmingham District Registry  
No 8101 of 2018



**1. Introduction**

- 1 1 The Joint Administrators were appointed on the Appointment Date by the Directors, pursuant to Paragraph 22 of Schedule B1 to the Act
- 1 2 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators may be exercised by either of the Administrators
- 1 3 The purpose of this report is to provide creditors with details of the progress of the Administration during the Reporting Period. This report should be read in conjunction with the Proposals.
- 1 4 Statutory information on the Company is attached at Appendix 1.

**2. Joint Administrators' Report and Statement of Proposals**

- 2 1 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 non-preferential creditors, other than the Prescribed Part, if any
- 2 2 No meeting was convened and the Proposals were deemed to have been approved by creditors on 29 June 2018
- 2 3 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
- 2 4 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.
- 2 5 The Joint Administrators have achieved the second objective as a better result for the Company's creditors as a whole has been achieved 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 non-preferential claims for deposits paid prior to the Appointment Date.

- 2.6 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

### 3. Progress of the Administration

- 3.1 The manner in which the affairs and business of the Company have been managed during the Reporting Period, and will continue to be managed and financed, are set out below. Please refer to the Previous Progress Report for further information on the progress of the Administration prior to the Reporting Period

#### Administration Trading Period

- 3.2 As detailed in the Previous Progress Report, upon their appointment the Joint Administrators took control of the Company's assets and made the decision to continue to trade the business whilst a sale of the business and assets of the Company was pursued.
- 3.3 In the Reporting Period, the Joint Administrators and Licensed Solutions continued to trade the Hotel whilst a purchaser for the Hotel was sought
- 3.4 A detailed trading account for the Reporting Period is included at Appendix 2 which shows a trading deficit of £93,317 for the Reporting Period on a cash accounting basis. The total trading position for the Administration as a whole shows a surplus of £55,492
- 3.5 The Joint Administrators incurred exceptional costs following their appointment that has had a detrimental effect on the trading performance. These costs were essential to meet in order to secure the ongoing trading of the Hotel and included pre-Administration payroll costs, key supplier payments and ransom payments
- 3.6 In addition, the Joint Administrators honoured a number of functions which had either been paid for in full or in part prior to the Administration in order to protect the goodwill of the business. As such, the Joint Administrators did not receive any of these funds to cover the costs incurred to provide the events however, have benefited from additional bar takings and increased room occupancy
- 3.7 Whilst the Joint Administrators have traded the business at a loss during the Reporting Period, as previously reported continuing to trade the business resulted in a significantly higher value being achievable as a sale of a going concern and minimised the level of creditor claims received
- 3.8 It should be noted that the Joint Administrators' trading accounts have continued to be finalised after the Reporting Period due to some trading accounts taking longer than anticipated to be reconciled. The figures provided above should therefore not be taken as agreed and a further update will be provided to creditors in the next report

#### Sale of Business and Assets

- 3.9 The principal asset of the Company was the leasehold interest of the Hotel located at Etrop Grange Hotel, Thorley Lane, Manchester, M90 4EG
- 3.10 Upon the Appointment Date, the Joint Administrators instructed the Agents to provide a valuation and marketing advice in respect of the Hotel

- 3.11 As detailed in the Previous Progress Report, a total of 62 non-disclosure agreements were received from interested parties, resulting in the receipt of 8 formal offers. Best and final offers were then to be submitted by no later than 8 June 2018 with discussions and due diligence being undertaken beyond this date.
- 3.12 A detailed review of the lease of the Hotel was undertaken during the sale process and it was established that the lease contained a drafting error in respect of the option to purchase the freehold which could have impacted the outcome of the sale. The Joint Administrators were therefore required to disclose the position to the interested parties and also sought legal advice on the position and the options available to them.
- 3.13 The outcome of the legal advice obtained was that a deed of rectification should be entered into to amend the drafting error in the lease in order to avoid entering into lengthy litigation with the landlord which would likely have resulted in significant legal costs being incurred with no certainty of a better outcome being achieved for the benefit of the creditors of the Company.
- 3.14 Whilst offers continued to be received by the Agents, the issue with the lease caused a number of the interested parties to withdraw their interest due to the delay in the progression of the sale and the uncertainty surrounding the lease.
- 3.15 The Agents held further discussions with the interested parties with a view to obtaining increased final offers and subsequently provided their recommendation to the Joint Administrators in respect of the offer that they believed presented the best outcome for the Administration estate.
- 3.16 The Joint Administrators considered the final offers received together with the Agent's recommendation and held discussions with the Secured Creditors, as major stakeholders. The Joint Administrators and the Secured Creditors were in agreement with the Agent's recommendation and the decision was made to accept the offer from the preferred bidder.
- 3.17 On 13 December 2018, a sale of the business and assets of the Company was completed to the Purchaser for a total consideration of £1,820,000. An apportionment of this consideration is set out below.

Asset	£
Leasehold Interest	1,600,000
Goodwill	160,000
Furniture & Equipment	59,997
Intellectual Property/Customer List/IT	3
<b>Total</b>	<b>1,820,000</b>

- 3.18 In addition to the above, the sale agreement included the stock held at the Hotel as at the date of the sale with the agreed balance being due within 10 days of completion of the sale. Licensed Solutions were therefore instructed to conduct a stock take upon completion of the sale to establish the level of stock held and it was agreed that the stock amounted to £3,736. This amount was received into the Administration estate in line with the sale agreement as detailed in the Receipts and Payments account at Appendix 2.

- 3.19 The Joint Administrators, and the Agents, are satisfied that the sale consideration achieved resulted in the best possible outcome for the Administration estate. No further asset realisations are anticipated in respect of the Hotel.

**Book Debts**

- 3.20 As at the Appointment Date, the Company's book debt ledger indicated an outstanding balance of £48,980.
- 3.21 As detailed in the Previous Progress Report, the outstanding book debts as at the Appointment Date have been collected in full by the Joint Administrators, with the assistance of Licenced Solutions. An amount of £16,249 is currently shown in the Receipts and Payments account at Appendix 2 with the balance being held by Licensed Solutions. The balance will be remitted to the Administration estate shortly and will be reflected in the Receipts and Payments account in the next progress report.

**Inter-Company Loan**

- 3.22 As at the Appointment Date, the Company's records indicated that the Company was owed funds by Hydro Hotel Limited, a connected Company by way of common directorship. The Joint Administrators have commenced a reconciliation process to establish the balance owed; however, in the Reporting Period Hydro Hotel Limited was placed into Administration.
- 3.23 Having reviewed the initial reports issued by the Administrators of Hydro Hotel Limited, it is anticipated that there will be a distribution made back to its creditors. As such, the Joint Administrators will continue to assess the viability of submitting a claim in this Administration for the balance owed.
- 3.24 A further update will be provided to creditors in due course.

**Sundry Refund**

- 3.25 A refund of £87 has been received during the Reporting Period in relation to an overpayment made during the trading period.

**Gross Bank Interest**

- 3.26 Bank interest of £164 has been received in the Reporting Period.

**Other Matters**

- 3.27 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.

**4. Investigations**

- 4.1 The Joint Administrators have complied with their statutory obligations to file a report with the DBEIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators' appointment. The content of this report is confidential and has been submitted to the Insolvency Service.

- 4 2 However, should any of the Company's creditors have information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, please contact this office.

**5. Dividend Prospects / Prescribed Part**

**Secured Creditors**

**TCF**

- 5 1 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
- 5 2 *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*
- 5 3 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
- 5 4 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
- 5 5 No further distributions will be made to TCF from the Administration estate

**PK & DF**

- 5 6 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
- 5 7 At the date of appointment, the Company's indebtedness to PK & DF totalled £6,984,263
- 5 8 The Security Trustees act on behalf of approximately 245 bond holders who have invested funds into the Hotel. Whilst the security documentation is named as the Security Trustees, the monies held are due to the individual investors. In respect of this, and upon receipt of confirmation from the Security Trustees, the Joint Administrators are seeking legal advice in respect of making any future distributions directly to the investors
- 5 9 The Joint Administrators have received the initial information from the Security Trustees regarding initial investments and we will shortly commence a review of this information. Subject to the legal advice, the Joint Administrators intend to contact the investors directly to commence adjudication of their claims
- 5 10 Once this process has been undertaken, the Joint Administrators will look to write to all investors to confirm the details of their claims before making any distributions

**Preferential Creditors**

- 5 11 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

- 5.12 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.
- 5.13 Following the sale of the business and assets of the Company, the Company's employees have been transferred to the Purchaser pursuant to TUPE.
- 5.14 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

#### **Prescribed Part**

- 5.15 The Company granted a fixed and floating charge to PK & DF on 3 February 2015, and a fixed a floating charge to TCF on 26 June 2017, therefore the Prescribed Part provisions will apply.
- 5.16 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 non-preferential 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   |
- 5.17 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 non-preferential creditors

#### **Non-Preferential Creditors**

- 5.18 According to the Company's books and records, non-preferential creditors total £539,231
- 5.19 Non-preferential claims received to date total £1,026,579 and can be summarised as follows

Creditor	Claim	
Trade & Expenses Creditors	£	326,744
Inter-Company Loan	To be confirmed	
HMRC	£	699,835
<b>Total</b>	<b>£</b>	<b>1,026,579</b>

- 5.20 Based upon current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential creditors of the Company

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**6. Joint Administrators' Receipts and Payments Account**

- 6 1 A Receipts and Payments account, including a trading account, for the Reporting Period is attached at Appendix 2
- 6 2 The trading account shows a trading deficit of £93,317 during the Reporting Period and a surplus of £55,492 during the Administration as a whole. However, as discussed at section 3.8 of this report, Licensed Solutions are in the process of finalising the trading account and a further update will be provided to creditors in the next report

**7. Pre-Administration Costs**

- 7 1 The Joint Administrators obtained fee approval from the Secured Creditors on 12 November 2018 in respect of the following pre-Administration costs

Name of Recipient	Brief Description of Services Provided	Pre-Administration Costs Incurred
Duff & Phelps	Pre-Administration Time Costs	£16,181 plus disbursements of £482
Clarke Wilmott LLP	Assistance in placing the Company into Administration	£6,465 plus disbursements of £92

- 7 2 Duff & Phelps have yet to draw any fees in respect of pre-Administration remuneration however Clarke Wilmott have received payment of their pre-Administration costs. It is anticipated that Duff & Phelps will draw their fees in the next reporting period

**8. Joint Administrators' Costs and Expenses**

- 8 1 In addition to the above, the Joint Administrators also received consent from the Secured Creditors on 12 November 2018 in respect of the basis of their post appointment remuneration
- 8 2 The time costs charged in the Reporting Period by the Joint Administrators are as analysed at Appendix 3. Time has been charged in six minute units
- 8 3 The total time costs incurred by the Joint Administrators during the Reporting Period are £70,428 representing 246 hours with an average charge out rate of £286 per hour
- 8 4 In accordance of SIP 9, the Joint Administrators have provided creditors with additional information regarding the major areas of time incurred during the Reporting Period
- Time costs of £32,779 have been incurred under the heading Sale of Business. This has involved time spent marketing the business and assets of the Hotel for sale, holding regular discussions with the Agents, the Solicitors and the Purchaser in respect of the sale of the Hotel
  - Time costs of £8,919 have been incurred under the heading Statutory Matters (Meeting, Reports & Notices). This relates to time spent dealing with all statutory matters required for the Administration during the Reporting Period including drafting and distributing the Previous Progress Report, liaising with the Solicitors in respect of the extension of the Administration and all other statutory matters that have arisen

- Time costs of £6,477 have been incurred under the heading Cashiering and Accounting. This relates to the management of the Joint Administrators' bank account, processing the receipts and payments during the Reporting Period and liaising with Licensed Solutions to ensure the trading accounts are correctly reconciled.
  - Time costs totalling £5,446 have been incurred under the heading Trading. This time includes the daily management of the Company, liaising with Licensed Solutions and staff at the Hotel regarding general ongoing day to day trading matters, liaising with suppliers, dealing with employees and all other trading matters that arise on a day to day basis.
  - Time costs of £4,474 have been incurred under the heading Secured Creditors. This represents time spent liaising with the Secured Creditors regarding their indebtedness and also co-ordinating distributions to them in respect of those amounts.
- 8.5 The Joint Administrators did not draw any fees in relation to the Company during the Reporting Period. However, I can confirm that an amount of £245,000 has been drawn in respect of Joint Administrators' remuneration subsequent to the Reporting Period which will be detailed in future progress reports.
- 8.6 The Joint Administrators have incurred expenses and disbursements in dealing with the Administration of the Company and these are detailed at Appendix 3.
- 8.7 A Statement of Creditors' Rights concerning the Joint Administrators' fees is enclosed at Appendix 4.
- 9. Extension of the Administration and Conclusion**
- 9.1 An Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the creditors' consent.
- 9.2 Given that there are future distributions still to be made, namely to the investors as discussed previously, the Joint Administrators approached the Secured Creditors to seek their consent to an extension of the Administration, pursuant to paragraph 76(2)(b) to Schedule B1 of the Act.
- 9.3 Despite a number of attempts to obtain the consent, this was not forthcoming within the timeframe afforded. Therefore, the Joint Administrators made an application to Court to seek consent to the extension, which was granted.
- 9.4 The automatic end of the Administration is now 24 April 2020.
- 9.5 Once all distributions have been made and all matters have been concluded, the Notice will be submitted to the Registrar of Companies pursuant to Paragraph 84 of Schedule B1 to the Act.
- 9.6 Following registration of the Notice by the Registrar of Companies, the Joint Administrators' appointment will cease to have effect, and they will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Act.
- 9.7 At the end of three months beginning with the date of the Notice being registered by the Registrar of Companies the Company will be dissolved.
-



**10. Next Report**

- 10.1 The Joint Administrators are required to provide a Progress Report within one month of every six months. The next report will be issued no later than 23 November 2019.
- 10.2 *If you have any queries or require any further assistance, please do not hesitate to contact my colleague Sam Bevan 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 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**

**Statutory Information**

<b>Date of Incorporation</b>	5 September 2012
<b>Registered Number</b>	08203300
<b>Company Director(s)</b>	Miss Christine Adamson Mr Donald Fuller
<b>Shareholders</b>	Miss Christine Adamson – 1 Ordinary Share Mr Donald Fuller – 1 Ordinary Share
<b>Trading Address</b>	Thorley Lane Manchester Airport Manchester M90 4EG
<b>Registered Office</b>	<b>Current:</b> Duff & Phelps Ltd The Chancery 58 Spring Gardens Manchester M2 1EW  <b>Former:</b> Unit 2 3 Waulk Mill 51 Bengal Street Ancoats Manchester M4 6LN
<b>Any Other Trading Names</b>	Etrop Grange Hotel

**Appendix 2**

**Joint Administrators' Receipts and Payments Account**

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

Statement of Affairs £	From 25/10/2018 To 24/04/2019 £	From 25/04/2018 To 24/04/2019 £
<b>POST APPOINTMENT SALES</b>		
Deposits Taken	(44,396.83)	NIL
Events Receivables	(12,770.65)	6,198.95
Sales	287,702.08	1,216,059.94
Weddings Receivables	(13,528.00)	NIL
	<u>217,006.60</u>	<u>1,222,258.89</u>
<b>PURCHASES</b>		
Food	33,801.72	97,049.66
Liquor	14,780.00	63,986.40
Other Purchases	7,430.97	49,163.09
	<u>(56,012.69)</u>	<u>(210,199.15)</u>
<b>OTHER DIRECT COSTS</b>		
Agency Staff	17,614.39	21,337.49
Attachment of Earnings	1,425.88	3,088.27
Staff Wages	108,258.37	443,582.88
Tax/Ni	16,245.69	70,358.41
	<u>(143,544.33)</u>	<u>(538,367.05)</u>
<b>TRADING EXPENDITURE</b>		
Bank charges - trading account	290.47	1,325.12
Car Parking	3,355.30	20,404.40
Credit Card Commissions	7,584.71	32,756.41
Equipment Rental	921.63	2,120.46
Function Costs	1,163.69	9,978.69
Heat & Light	26,696.84	60,996.71
Hire of Equipment	NIL	14.63
Laundry	11,554.19	34,752.84
Marketing Fees	(1,422.43)	900.86
PDQ Set Up & Rentals	1,250.00	4,635.00
Professional Fees	NIL	815.00
Ransom Payments	NIL	8,908.22
Rents	13,166.66	52,666.65
Repairs & Maintenance	1,125.35	21,147.88
Sales Commission	NIL	9,636.60
Stationery	244.00	695.18
Sundry Expenses	2,456.73	4,324.79
Telephone & Internet	8,886.16	44,246.49
Travel	NIL	1,203.70
Travel Agents Subscriptions & Commi	31,759.60	98,421.89
Vehicle Rental	938.00	3,690.69
Waste Disposal	3,909.21	7,672.02
	<u>(113,880.11)</u>	<u>(421,314.23)</u>
<b>TRADING SURPLUS/(DEFICIT)</b>	<u><b>(96,430.53)</b></u>	<u><b>52,378.46</b></u>

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

Statement of Affairs £	From 25/10/2018 To 24/04/2019 £	From 25/04/2018 To 24/04/2019 £
<b>SECURED ASSETS</b>		
Goodwill	160,000.00	160,000.00
Intellectual Property	3.00	3.00
Leasehold Land & Property	1,600,000.00	1,600,000.00
	<u>1,760,003.00</u>	<u>1,760,003.00</u>
<b>COSTS OF REALISATION</b>		
Agents/Valuers Fees	22,608.05	55,644.20
Insurance	16,182.50	16,182.50
Legal Fees	3,000.00	3,000.00
Marketing Advertisement	NIL	1,891.89
Property Agents Disbursements	146.58	146.58
Property Agents Fees	36,349.99	36,349.99
	<u>(78,287.12)</u>	<u>(113,215.16)</u>
<b>SECURED CREDITORS</b>		
Together Commercial Finance	1,085,495.01	1,085,495.01
	<u>(1,085,495.01)</u>	<u>(1,085,495.01)</u>
<b>ASSET REALISATIONS</b>		
Bank Interest on LS trading account	164.10	215.81
Cash at Bank	NIL	55,605.31
Debtors	NIL	16,249.38
Furniture & Equipment	59,997.00	59,997.00
Stock	3,736.00	3,736.00
Sundry Refund	87.00	87.00
Trading Surplus/(Deficit)	(96,430.53)	52,378.46
	<u>(32,446.43)</u>	<u>188,268.96</u>
<b>COST OF REALISATIONS</b>		
Accountants Fees	1,050.00	1,050.00
Agents/Valuers Disbursements	NIL	22.00
Agents/Valuers Fees	(2,272.00)	2,250.00
Bank Charges	167.30	167.30
Contribution to Landlord costs	(2,500.00)	(2,500.00)
Landlord's agent's costs	500.00	500.00
Landlord's legal costs	2,000.00	2,000.00
Legal Fees	16,599.00	16,599.00
Pre-Appointment Legal fees	5,162.00	5,162.00
Statutory Advertising	NIL	84.60
	<u>(20,706.30)</u>	<u>(25,334.90)</u>
	<u><b>543,068.14</b></u>	<u><b>724,226.89</b></u>
<b>REPRESENTED BY</b>		
Fixed bank account		601,121.39
Fixed charge VAT receivable		7,299.31
Floating/main current account		119,970.56
Licensed Solutions		39,067.28
Trustee account		6,227.64
VAT payable		(84,762.50)
VAT Receivable		35,303.21
		<u><b>724,226.89</b></u>

**Appendix 3**

**Analysis of Time Charged and Expenses Incurred**

**87060 MANCHESTER TERMINAL 2 HOTEL LIMITED**

**ANALYSIS OF TIME COSTS FOR THE PERIOD 25/10/2018 to 24/04/2019**

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	2.80	3.50	1.00	0.00	7.10	2,269.50	319.65
Cashiering & accounting	0.00	1.00	3.10	26.80	0.00	30.70	6,477.00	210.98
IPS set up & maintenance	0.00	0.00	0.00	0.50	0.00	0.50	57.50	115.00
Insurance	0.00	0.00	0.00	0.30	0.00	0.30	54.00	180.00
Statement of affairs	0.00	0.10	0.80	0.00	0.00	0.90	270.00	300.00
Statutory matters (Meetings & Reports & Notices)	0.50	5.60	6.80	24.25	0.00	37.15	8,918.50	240.07
Strategy planning & control	0.50	1.50	3.10	12.25	0.00	17.35	3,955.50	227.98
Tax Compliance / Planning	0.00	2.30	1.55	1.40	0.00	5.25	1,677.75	319.57
<b>Creditors</b>								
Communications with Creditors / Employees	0.00	0.00	0.50	12.40	0.00	12.90	2,123.75	164.63
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	1.85	0.00	1.85	333.00	180.00
Secured Creditors	2.50	6.80	0.30	1.15	0.00	10.75	4,473.50	416.14
<b>Investigations</b>								
Financial review and investigations (S238/239 etc)	0.00	0.20	0.00	0.00	0.00	0.20	84.00	420.00
<b>Realisation of Assets</b>								
Book debts	0.00	0.00	1.25	0.30	0.00	1.55	419.25	270.48
Freehold and Leasehold Property	1.90	0.20	0.00	0.00	0.00	2.10	1,091.00	519.52
Sale of business	0.00	53.90	30.10	10.45	0.00	94.45	32,778.50	347.05
<b>Trading</b>								
Trading - Accounting	0.00	2.70	0.00	13.15	0.00	15.85	3,501.00	220.88
Trading - Employees	0.00	0.00	0.50	0.00	0.00	0.50	142.50	285.00
Trading - Operations	0.00	0.50	4.70	1.40	0.00	6.60	1,801.50	272.95
<b>Total Hours:</b>	<b>5.40</b>	<b>77.40</b>	<b>56.20</b>	<b>167.60</b>	<b>0.00</b>	<b>246.60</b>		<b>244.25</b>
<b>Total Fees Claimed: £</b>	<b>2,862.00</b>	<b>32,326.00</b>	<b>16,151.50</b>	<b>19,088.25</b>	<b>0.00</b>		<b>70,427.75</b>	

Category 2 Disbursements:



**Manchester Terminal 2 Hotel Limited (In Administration)**  
**Joint Administrators' Expenses & Disbursements of the Administration**

Company	Activity	Reporting Period	
		Incurred £	Paid £
<b>Agents / Valuers Fees &amp; Disbursements</b>			
GVA Grimley	Marketing and Sale of the Hotel	36,496.57	36,496.57
Liscensed Solutions Limited	Managing agents instructed to assist the Joint Administrators with the trading of the Hotel.	22,608	22,608
<b>Insurance</b>			
Willis Limited	Insurance cover over the assets of the Company	16,183	16,183
<b>Professional Fees</b>			
Clarke Willmott LLP	Ad Hoc Legal Advice and assistance with the documentation for the sale of the Hotel	19,599	19,599
Curo Chartered Accountants	Review of tax affairs and assistance with the filing of returns	1,050	1,050
Landlord	Contribution towards Landlords legal costs in respect of the sale of the hotel and the redrafting of the lease documentation	2,500	2,500
<b>Total</b>		<b>98,437</b>	<b>98,437</b>

**Appendix 4**

**Statement of Creditors' Rights**

## **STATEMENT OF CREDITORS RIGHTS**

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

*Section numbers refer to Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Heather Thomson of this office.

### **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 <http://www.duffandphelps.com/uk-restructuring/creditor-guides> (click on the document 'Administration (appointment from 1 October 2015)'). Should you require a copy, please contact this office.

### **Creditors have the right to request information from the Administrator under rule 18.9**

A secured creditor, a non-preferential creditor with the concurrence of at least 5% in value of the non-preferential creditors (including the creditor in question) or any non-preferential creditor with the permission of the Court may make a written request to the Administrator for further information concerning remuneration or expenses (other than pre-administration costs). Such a request must be made within 21 days of receipt of this final progress report and a response will be provided within 14 days of receipt of the request.

Creditors have recourse to court, application to be made within 21 days of the Administrator giving reasons for not providing all the information requested or the expiry of the 14 days within which an Administrator must respond to a request.

### **Creditors have the right to challenge the Administrator's remuneration and expenses under rule 18.34**

A secured creditor, a non-preferential creditor with the concurrence of at least 10% in value of the non-preferential creditors (including that creditor) or any non-preferential creditor with the permission of the Court, may make an application to court on the grounds that the remuneration charged or expenses incurred are excessive and/or that the basis fixed for the Administrator's remuneration is inappropriate. The application to court must be made no later than eight weeks after receipt of the report or account which first reports the charging of the remuneration or the incurring of expenses in question.