

AM03

Notice of administrator's proposals



Companies House

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1 Company details

Company number **0 9 4 1 8 2 5 1**

Company name in full **Signature Living Lifestyles 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 **5B Cornerblock**

Street **2 Cornwall Street**

Post town **Birmingham**

County/Region

Postcode **B 3 2 D X**

Country **United Kingdom**

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 **The Chancery**

Street **58 Spring Gardens**

Post town **Manchester**

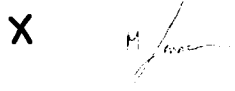
County/Region

Postcode **M 2 1 E W**

Country **United Kingdom**

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

AM03 Notice of Administrator's Proposals

6	Statement of proposals	
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7	Qualifying report and administrator's statement ^①	
	<input type="checkbox"/> I attach a copy of the qualifying report <input type="checkbox"/> I attach a statement of disposal	^① As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)
8	Sign and date	
Administrator's Signature	Signature  X	X
Signature date	28 09 2022	

AM03

Notice of Administrator's Proposals



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	Callum O'Brien
Company name	Kroll Advisory Ltd
Address	The Chancery
58 Spring Gardens	
Post town	Manchester
County/Region	
Postcode	M 2 1 E W
Country	United Kingdom
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 and dated 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

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Statement of Proposals

28 September 2022

Signature Living Lifestyles Limited (In Administration)

Joint Administrators' Report to Creditors and Statement of Proposals for
the period from 5 August 2022 to 28 September 2022

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

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1. Introduction

The Joint Administrators were appointed on 5 August 2022 by Henslow Trading Limited, the holder of a qualifying floating charge, pursuant to Paragraph 14 of the Act.

This report is the Joint Administrators' statutory Statement of Proposals. It sets out the circumstances leading up to their appointment and their strategy for achieving the purpose of the Administration.

You will find other important information in this report such as the proposed basis of the Joint Administrators' remuneration.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 12.

Please also note that an important legal notice about this statement of Proposals is attached at Appendix 13.

These Proposals are deemed delivered to Creditors within two business days of the date of this report.

2. Creditor Summary

Background

The Company was incorporated on 3 February 2015 under the company registration number 09418251.

The Company forms part of a wider group of companies which comprises circa 60 different Signature Living entities which trade as hotel and residential property operators and developers.

Upon incorporation, Katie Kenwright was appointed as sole director. On 13 September 2016, Lawrence Kenwright was appointed as a director and Katie Kenwright subsequently resigned on 12 December 2019.

The Company holds the leasehold interest to a gym situated in the Shankly Hotel, which trades from Millennium House, Victoria Street, Liverpool, L1 6JD.

Further details on the background are provided in the main body of the report.

Events leading up to Administration

Due to the failure of the Company to meet its interest payments on the loan facility, Henslow Trading Limited issued a demand on the Company for repayment of its outstanding debt. The Company failed to satisfy the demand and Henslow Trading Limited exercised its statutory right as a QFC to place the Company into Administration.

Matthew Ingram and Michael Lennon were also appointed as Joint Administrators of SSL on 9 April 2020. SSL holds the long leasehold interest in the Shankly Hotel, the Hotel in which the Gym is situated.

The freehold title to the Gym is owned by an associated company, SLH. The Joint Administrators were also appointed as Joint Administrators of SLH on 15 April 2020.

Further details of the events leading up to the appointment of the Joint Administrators are provided in the main body of this report.

Appointment

On 5 August 2022, Matthew Ingram and Michael Lennon of Kroll were appointed Joint Administrators of the Company by the Secured Creditor.

The Joint Administrators were appointed at the High Court of Justice, Business and Property Courts of England and Wales. Court reference 2499 of 2022.

Trading

The Gym is subject to a 10-year lease with the Council commencing 19 February 2015, expiring on 18 February 2025 with a passing rent of £110,376 per annum.

The Gym was closed as a result of the COVID-19 lockdown measures, however following a post-lockdown review it is understood the Council made the decision not to re-open the Gym.

Asset realisations

Leasehold Interest

The Company's primary asset is the long leasehold interest in respect of the Gym granted by SLH, who also own the freehold title to the Hotel.

The Joint Administrators are in the process of marketing the Hotel which includes the Gym leasehold interest.

Cash at bank

Following the appointment of the Joint Administrators, the sum of £61,157 was received from the Bank, representing the credit balance held on the Company's current bank account at the Appointment Date.

Fees and expenses

The Joint Administrators will be seeking the authority of the Secured Creditors to agree the basis of their remuneration, together with their fee estimate of £55,250.

Dividends

At this stage, it is anticipated that there will be sufficient realisations to enable a distribution to the Secured Creditors by way of a fixed charge distribution.

The Company has no employees and, consequently, no preferential claims are anticipated in this respect. The Administrators are in the process of establishing whether HMRC has a secondary preferential claim in the Administration.

Based on current information, it is anticipated that there will be insufficient realisations to enable a distribution to the Unsecured Creditors other than by virtue of the Prescribed Part, if applicable.

Anticipated exit from Administration

It is anticipated that the Company will be dissolved once all outstanding matters of the Administration have been dealt with.

Approval of Proposals

The Joint Administrators' Proposals shall be deemed approved and a creditors decision on the approval of these Proposals will not be sought as the Joint Administrators have placed the Company into Administration with the objective of realising property in order to make a distribution to one or more Secured Creditors in accordance with Paragraph 3(1)(b) of the Act.

This document in its entirety is our Statement of Proposals. A summary list of the Proposals is included in Section 9, together with the relevant statutory information by way of appendices.

Unless otherwise stated, all amounts in these Proposals are stated net of VAT.

3. Background

Statutory information on the Company is included at Appendix 1.

As detailed in the creditor summary, the Company forms part of the wider Signature Group, a group of companies which trades as a hotel and residential property operator and developer.

The Signature business model is to acquire disused and derelict properties and, through collective investment schemes, BPRA investment or secured lending, bring the properties back into use as either a hotel or residential development. Signature Group has a number of trading entities and ongoing property developments in England and Wales, the majority of which are in the North-West of England.

The Company holds the long leasehold interest in the premises that traded as Lifestyles Millennium Gym, which is situated in the Hotel.

The freehold title to Gym is owned by an associated company, SLH. The Joint Administrators were also appointed as Joint Administrators of SLH on 15 April 2020.

4. Events Leading up to the Administration

4.1 Summary of key events

The Company trades as a landlord as holder of a long leasehold title to the Gym situated in Millennium House, Liverpool. The Gym is subject to a 10-year lease with the Council commencing 19 February 2015, expiring on 18 February 2025 with a passing rent of £110,376 per annum

In the lead up to the COVID-19 lockdown the Gym faced a number of challenges, in what was an increasingly competitive fitness market in the city centre.

The Gym was closed as a result of the COVID-19 lockdown measures, however following a post-lockdown review of the service by the Council, the decision was made not to re-open the Gym. The Council has continued to meet its obligations under the lease granted by the Company.

The Company was subject to winding up petition issued by HMRC although it is understood the petition debt was discharged prior to the Appointment Date.

Due to the failure of the Company to meet its secured debt financing obligations, Henslow Trading Limited issued a demand on the Company for repayment of its outstanding debt.

The Company was unable to satisfy the demand and Henslow Trading Limited exercised its statutory right as a QFC to place the Company into Administration.

The Hotel is being marketed for sale by the Joint Administrators of SSL and SLH. The leasehold interest in the Gym will continue to be marketed for sale as part of the Hotel in order to maximise realisations.

4.2 Actions prior to appointment

The Joint Administrators' actions prior to the appointment in respect of the Company was limited to a review of revenue allocation in respect of the overall trade of the Hotel, communication with the Secured Creditor and assisting with appointment formalities.

4.3 Pre-Administration work

The work undertaken by Kroll prior to the Administration involved providing strategy and planning advice to the Secured Creditors, which resulted in the formal insolvency process being chosen as the best option.

The Joint Administrators are satisfied that the work carried out by Kroll prior to their appointment, including the Pre-Administration work detailed above, has not created a conflict of interest or threat to our independence.

4.4 Appointment of Joint Administrators

A Notice of Appointment was filed on 5 August 2022 to appoint Matthew Ingram and Michael Lennon as Joint Administrators of the Company

The Joint Administrators considered the position prior to accepting the appointment and having regard to the Insolvency Practitioners' Association's ethical guidelines, considered that there were no circumstances preventing them from accepting the appointment.

5. Strategy and Progress of the Administration to Date

5.1 Purpose of the Administration

The purpose of an Administration is to achieve one of the following hierarchical objectives:

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

In accordance with Paragraph 49(2) of Schedule B1 to the Act, the Joint Administrators believe that it is unlikely there will be sufficient funds to enable the Company to be rescued as a going concern.

The Joint Administrators do not believe the second objective will be achieved, however, the long leasehold interest will be sold along with the Hotel, which may achieve a better result for Creditors than if the Company were wound up without first being in the Administration.

The third objective should be achieved as it is anticipated that the Joint Administrators will be in a position to make a distribution to one or more of the Secured Creditors.

The Joint Administrators' proposals for achieving the purpose of the Administration are set out in the remainder of this report.

5.2 Progress of the Administration

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

5.2.1 Initial actions

The Joint Administrators have been undertaking a review of the Company's financial position which is directly connected to the Hotel and wider Signature Group entities.

The Joint Administrator's core objective is to maintain the value of the Company's primary asset, being the long leasehold interest in the Gym.

5.2.2 Trading

Prior to the Joint Administrators' appointment, the Gym traded as a stand-alone entity operated by the Council. The Company has no employees.

The Gym was closed as a result of the COVID-19 lockdown measures, however following a post-lockdown review of the service by the Council, the decision was made not to re-open the Gym. The Council will continue to meet its obligations under the lease and the Company will continue to collect rent on a quarterly basis.

5.3 Asset realisations

5.3.1 Leasehold Property

The Company's principal asset is the leasehold interest in the Gym situated within the Hotel at Millennium House, Victoria Street, Liverpool, L1 6JD. The property is subject to a legal charge in favour of the Secured Creditors.

The Company granted a 10-year sublease in favour of the Council on 19 February 2015.

All of the gym equipment has been removed by the Council following the closure of the Gym.

The Council continue to pay a quarterly rental fee for the occupation of the Gym to the Company whilst the Joint Administrators of SSL and SLH pursue a sale of the Hotel.

The Gym leasehold interest is being marketed as part of the sale of the Hotel. An update on this will be provided in the next report to Creditors.

5.3.2 Cash at bank

As at the Appointment Date, the Company had cash at bank of £61,157, which was held at Santander. These funds have now been transferred to the Administration estate bank account.

5.3.3 Intercompany and Related Party Debtors

As detailed in the creditor summary, the Company forms part of the wider Signature Living Group with over 60 entities.

As per the Company's books and records, the Company's intercompany debtor balances were circa £187,088 due from other entities within the Signature Group and related parties, with corresponding intercompany creditor balances totalling £866,611.

Due to the nature of the complex group structure, the Joint Administrators are in the process of completing an extensive investigation into the financial position of the Company, paying particular attention to the reconciliation of the intercompany loan position.

The Joint Administrators continue to analyse the Company's books and records, in conjunction with working with the senior management team within the Group, who are preparing up to date financial statements for each entity, as well as reconciling the intercompany position for the Company.

Demand letters will be issued to the relevant companies in the Signature Group once the values are verified, seeking proposals for the repayment of the intercompany loan debtor balances.

An update will be provided in the next report.

5.3.4 Other assets

The Joint Administrators are not aware of any other assets held by the Company.

5.4 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 date of appointment and the content of this report is confidential.

The Joint Administrators are reviewing the affairs of the Company to identify any action which can be taken against third parties in respect of antecedent transactions or other litigation that would increase recoveries for Creditors.

Investigations into the Company's affairs are currently ongoing. The Joint Administrators also have a duty to investigate antecedent transactions which include transactions to defraud Creditors, preference payments and transactions at an undervalue.

Given the commercially sensitive nature of these investigations, it is not appropriate to elaborate on any potential claims at this time. An update will be provided in the next progress report.

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 writing to Callum.O'Brien@kroll.com or Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

5.5 Cost of realisations

Payments made from the Appointment Date are set out in the Receipts and Payments Account provided at Appendix 2, which is self-explanatory.

6. Joint Administrators' Fees and Expenses and Pre-Administration Costs

6.1 Estimated fees and expenses

6.1.1 Fees

It is proposed that the Joint Administrators' fee basis is based on time costs. The time costs already charged since the date of appointment are analysed at Appendix 4. Time is charged in six-minute units.

The Joint Administrators propose to seek approval from the Secured Creditors.

The amount proposed to be drawn in fees by the Joint Administrators is shown in the 'Fee Estimate' at Appendix 7. The total amount indicated effectively acts as a cap on the level of fees to be drawn by the Joint Administrators. If circumstances change and the Joint Administrators propose to draw further fees in the future, they will seek the appropriate approval from Creditors at a later date.

Also attached at Appendix 8 is the Fees Narrative, 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. Further details of assets and liabilities and the estimated return to Creditors, if any, are in the body of this report.

6.1.2 Expenses Estimate

The Joint Administrators' estimate the expenses of the Administration to total approximately £71,222 as detailed in the 'Expenses Estimate' at Appendix 9. This figure may be higher, subject to confirmation of the Solicitors' costs. This illustrates the estimated expenses for the whole of the Administration and is for information purposes only. No approval is required by Creditors.

This estimate may change over the course of the Administration, but Creditors will be informed of any variations with associated reasons in future Progress Reports.

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 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.

The Joint Administrators have incurred Category 1 Expenses of £1,142 in the Reporting Period. Further costs will have been incurred by the Solicitors, however the quantum of these has not yet been confirmed. No Category 1 expenses have been paid.

No Category 2 Expenses have been incurred during the Reporting Period.

The Joint Administrators' expenses are detailed at Appendix 6.

6.1.4 Additional information

Also attached at Appendix 8 is the "Fees Narrative", 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. Further details of assets and liabilities and the estimated return to Creditors, if any, are in the body of this report.

Details of how to obtain further information relating to the fees and expenses of the Joint Administrators is set out in Appendix 10.

6.2 Statement of 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.

6.2.1 Fees

The pre-Administration time costs incurred by the Joint Administrators for the period leading up to the Appointment Date total £1,373, representing 3 hours at an average charge out rate of £416.

6.2.2 Expenses

The Joint Administrators have incurred total pre-appointment expenses of £4,571 in respect of legal fees and disbursements for arranging the Administration appointment.

A breakdown of the pre-Administration costs is provided below.

Pre-Administration costs	Paid (£)	Unpaid (£)	Total (£)
Kroll Advisory Ltd fees	0	£1,373	£1,373
Legal fees and disbursements	0	£4,571	£4,571
Total	0	£5,944	£5,944

The pre-Administration costs incurred remain unpaid, and the Joint Administrators are seeking approval from the Company's Secured Creditors to discharge these costs as an expense of the Administration.

The Joint Administrators confirm that payment of the unpaid pre-Administration costs, as an expense of the Administration, is subject to separate approval and does not form part of these Proposals.

7. Dividend Prospects

7.1 Secured Creditors

Henslow Trading Limited

In consideration for the monies advanced under facility agreements, the Company granted Henslow Trading Limited debentures, which confer fixed and floating charges over all of the assets of the Company. These were created on 13 March 2018 and 11 October 2019.

The Secured Creditor's outstanding indebtedness in relation to a loan secured against the Company's assets was £1,424,007 as at the Appointment Date, which is subject to accruing interest and charges.

Henslow Trading Limited has provided lending facilities to various companies and has been granted security over all other parts of the Hotel, including the freehold title which is held in SLH. As at the Appointment Date, the total indebtedness across all the lending facilities to the Hotel was approximately £6,000,000, subject to accruing interest and charges.

The security that has been granted by the Company therefore 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.

At this stage it is anticipated that there will be sufficient realisations to enable a distribution to this Secured Creditor by way of a fixed charge distribution. The quantum is currently uncertain and will be subject to the value realised for the Company's leasehold interest in the Gym and the associated costs.

Albendan Limited

In consideration for the monies advanced under loan facility agreements with other Signature Group entities, the Company granted Albendan Limited a legal charge over the leasehold land interest. This was created on 17 February 2020.

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.

At this stage it is anticipated that there may be sufficient realisations to enable a distribution to this Secured Creditor by way of a fixed charge distribution. The quantum is currently uncertain and will be subject to the value realised for the Company's leasehold interest in the Gym and other parts of the Hotel.

7.2 Preferential Creditors

The Company has no employees. Consequently, no primary preferential claims are anticipated in this matter.

There may be a secondary preferential claim from HMRC in respect of VAT as HMRC have provided an interim statement of liability for this of £6,569, but not PAYE income tax and employee NIC as the Company has no employees.

It is currently uncertain whether there will be sufficient realisations to enable a distribution to the secondary Preferential Creditor.

7.3 Unsecured Creditors

According to the Company's records, there are no trade and expense Unsecured Creditors as at the Appointment Date.

The other Unsecured Creditors can be summarised as follows:

Creditor	£
HMRC – interim statement of liability	2,200
Intercompany creditors	866,611
Total	868,811

Based on current information, it is anticipated that there will be insufficient realisations to enable a distribution to the Unsecured Creditors other than by virtue of the Prescribed Part, if applicable.

The quantum and timing of a dividend to Unsecured Creditors, if any, will be subject to future asset realisations, the costs of Administration, and the level of agreed unsecured claims.

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

7.3.1 Prescribed Part

The Prescribed Part is calculated as a percentage of 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.

The Insolvency Act 1986 (Prescribed Part) (Amendment) Order 2020 (SI 2020/211) came into force on 6 April 2020.

The Order increases the maximum prescribed part from £600,000 to £800,000. The increased limit does not apply where the company's net property is available to be distributed to the holder of a first-ranking floating charge created before 6 April 2020.

The Company granted floating charges to the Secured Creditor as detailed above. As such, the Prescribed Part provisions will apply.

The anticipated quantum of the Prescribed Part dividend available to Creditors is currently 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 11 and return this to the Joint Administrators with evidence to support your claim at Callum.O'Brien@kroll.com or to Kroll Advisory Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

An update will be provided in the Joint Administrators' next progress report.

8. End of Administration

8.1 Exit from Administration

You will note from the Proposals section below that the Joint Administrators have left the choice of exit route from Administration open so that an alternative strategy can be adopted, should this prove more appropriate at the time.

However, at this stage the Joint Administrators anticipate that the most likely exit route will be via Dissolution as it is anticipated that there will be insufficient funds to enable a distribution to Unsecured Creditors, other than by way of the Prescribed Part.

Once all outstanding matters have been satisfactorily completed by the Joint Administrators, they will give notice to the Registrar of Companies to the effect that the Company has no remaining property to realise which might permit a distribution to its Unsecured Creditors, at which stage the Administration will cease. The Company will be dissolved three months following the registration of the notice at the Registrar of Companies.

8.2 Discharge of liability

The Joint Administrators propose to seek approval from the Secured Creditors that they will be discharged from 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.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against the Joint Administrators.

Should the circumstances of the Administration change, the Joint Administrators reserve the right to revert to the Unsecured Creditors in order to obtain discharge of liability.

9. Joint Administrators' Proposals

9.1 Approval of Proposals

The Joint Administrators' Proposals will be deemed approved and a Creditors' decision on the approval of these Proposals will not be sought as the Joint Administrators believe that the Company will have insufficient property to enable a distribution to be made to Unsecured Creditors, other than by virtue of the Prescribed Part (if any), as detailed in this report.

On the expiry of eight business days from the date that the Proposals are delivered to the Creditors, the Joint Administrators' Proposals will be deemed to have been approved by the Creditors unless Creditors whose debts amount to at least 10% of the total debts of the Company request that a decision procedure is convened.

Further information of the steps required to convene a procedure are detailed at Appendix 10.

9.2 Creditors' Committee

A Creditors' Committee will not be established unless requested by the Creditors and sufficient Creditors are willing to act as members of the committee.

The minimum number of committee members is three and the maximum is five.

The Creditors' Committee represents the interest of the Creditors as a whole rather than the interests of individuals.

The statutory function of the Creditors' Committee is to assist the Joint Administrators with discharging their responsibilities, including the approval of:

- The basis of remuneration;
- The payment of category 2 expenses;
- The payment of unpaid pre-Administration costs;
- The discharge from liability of any actions taken as Joint Administrators.

Please note that members of the Creditors' Committee are not paid for their time. In order to enable Creditors to make an informed decision, a guidance note on the rights, duties and the functions of Committees can be found at the following link: <https://www.kroll.com/-/media/assets/pdfs-international/uk/creditors-guide/a-guide-for-creditors-march-2017.ashx?la=en-gb&hash=33FCAF379D2B3977216E2D41DB2FFC2F762522E1>

If you would prefer to be sent a paper copy, please contact Daniel Ryan of this office.

9.3 Creditors' rights

The Joint Administrators will use a decision-making procedure to seek approval of their Proposals if requested by Creditors whose debts amount to at least 10% of the total debts of the Company and the relevant procedures are followed.

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). The statutory thresholds for requesting a meeting are 10% in value of creditors, 10% in number of Creditors, or 10 Creditors.

Further information on Creditors' rights to request a decision or physical meeting and the relevant procedures required is provided on Appendix 10.

In addition, the statement also sets out information on the remuneration and expenses of the Joint Administrators.

9.4 Summary of Proposals

In addition to the specific itemised proposals detailed below, this document in its entirety constitutes the Joint Administrators' Proposals.

The Joint Administrators propose the following:

9.4.1 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.

9.4.2 Distributions

- To make distributions to the Secured Creditors where funds allow;
- To make distributions to the Unsecured Creditors from the Prescribed Part, where applicable.
- To make further distributions to the Unsecured Creditors over and above the Prescribed Part, if funds become available and apply to court for authority to do so, where applicable.

9.4.3 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 Director;

- 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 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 will be seeking specific agreement to the following Proposals from the Secured Creditors, which do not form part of these Proposals.

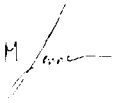
9.4.4 Remuneration and Pre-Administration costs

- 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 provided in Appendix 8 in the total sum of £55,250 is approved;
- That the Joint Administrators be authorised to pay the following expenses to associates in dealing with the Administration ("Category 2 Expenses"):
 - Statutory bonding fees; and
 - Mileage allowance payments to staff at the rate of 45p per mile.
- That the unpaid Pre-Administration costs totalling £5,944, as detailed in the Joint Administrators' statement of Pre-Administration costs, is approved for payment as an expense of the Administration.
- Where a Creditors' Committee is formed, the Joint Administrator's will seek to obtain approval from the Creditors' Committee.

9.4.5 Discharge of liability

- 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.
- Where a Creditors' Committee is formed, the Joint Administrator's will seek to obtain approval from the Creditors' Committee.

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



Michael Lennon
Joint Administrator

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

Appendix 1 – Statutory information

Company information		
Company and trading name	Signature Living Lifestyles Limited	
Date of incorporation	3 February 2015	
Registered Number	09418251	
Company Director	Lawrence Kenwright	
Shareholders	Signature Living Hotel Limited (In Administration)	
Trading address	Cavern Court 1st Floor 8 Mathew Street Liverpool Merseyside L2 6RE	
Registered office	Current: C/O Kroll Advisory Ltd. 58 Spring Gardens The Chancery Manchester M2 1EW	Former: Cavern Court, 1st Floor 8 Mathew Street Liverpool Merseyside L2 6RE
Administration information		
Administration Appointment	The Administration appointment granted in the High Court of Justice, Business and Property Courts of England and Wales. Court reference 2499 of 2022.	
Appointor	Henslow Trading Limited, a Secured Creditor	
Appointment Date	5 August 2022	
Joint Administrators	Matthew Ingram and Michael Lennon	
Original purpose	Achieving a better result for Company's Creditors as a whole than would be likely if the Company were wound up without first being in Administration	
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1	
Current Administration expiry date	4 August 2023	
Prescribed Part	The Prescribed Part is applicable in this case.	
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.	

Appendix 2 – Receipts and Payments Account

Signature Living Lifestyles Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 28/09/2022

S of A £	£	£
ASSET REALISATIONS		
Cash at Bank	61,157.31	
Bank Interest Gross	0.30	
		61,157.61
		61,157.61
REPRESENTED BY		
Floating/main current account		61,157.61
		61,157.61

Appendix 3 – Joint Administrators' Draft Statement of Affairs

The Joint Administrators have requested that the Director provides a Statement of Affairs. To date, this has not been received.

Once received the Statement of Affairs will be filed with the Registrar of Companies. Please note that disclosure of the content of the Statement of Affairs may be restricted with the Court's permission if it is considered that disclosure would be adverse to the interest of Creditors.

In the absence of a Statement of Affairs the Joint Administrators attach a Draft Statement of Affairs.

The information has been extracted from the Company's books and records. The Joint Administrators have not carried out any audit or detailed verification work on the information provided and the figures do not include the costs of the Administration.

The actual level of asset recoveries and claims against the Company might differ materially from the amounts included in the financial information in this statement.

INSOLVENCY ACT 1986

DRAFT STATEMENT OF AFFAIRS

A - Summary of Assets

Assets	Notes	Book Value £	Estimated to realise £
Assets Secured by Fixed Charge:			
Lifestyles Millennium Gym - Leasehold Interest	1	1,742,905	Uncertain
Fixed Charge Creditors			
Henslow Trading Limited		(1,424,007)	Uncertain
Albendan Limited		TBC	Uncertain
		318,898	Nil
Assets Secured by Floating Charge:			
Cash at bank		61,157	61,157
Intercompany Debtors		187,088	Uncertain
Estimated total assets available for preferential creditors		248,245	61,157

Notes

1. The book values have been taken from the filed micro company accounts made up to 29 June 2020.

INSOLVENCY ACT 1986

DRAFT STATEMENT OF AFFAIRS

A1 -Summary of liabilities

	Book Value £	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	248,245	61,157
Liabilities		
Primary Preferential creditors		Nil
Secondary Preferential Creditors - HMRC Interim Statement	(6,569)	Uncertain
Estimated deficiency/surplus as regards preferential creditors:		61,157
Estimated prescribed part of net property where applicable (c/d)	Nil	Nil
Estimated total assets available for floating charge holders	Nil	61,157
Debts secured by floating charges:	318,898	Nil
Estimated deficiency/surplus of assets after floating charges		Nil
Estimated prescribed part of net property where applicable (b/d)	Nil	Nil
Total assets available to unsecured creditors	318,898	Nil
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Intercompany Creditors	(866,611)	
Trade & Expense Creditors	Nil	
HM Revenue and Customs - HMRC Interim Statement	(2,200)	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any Shortfall to floating chargeholders)		(868,811)
Shortfall to floating chargeholders b/d		Nil
Shortfall to Prefrential creditors b/d		Uncertain
Estimated deficiency/surplus as regards creditors		(868,811)
Issued and called up capital	(1)	(1)
Estimated total deficiency/surplus as regards members		(868,812)

Kroll Advisory Ltd.
Signature Living Lifestyles Limited
Directors

Key	Name	£
RK00	Lawrence Kenwright	

**Kroll Advisory Ltd.
Signature Living Lifestyles Limited
Company Registered Number: 09418251**

B - Company Creditors

Key	Name	Address	
0 Entries Totalling			0.00

**Kroll Advisory Ltd.
Signature Living Lifestyles Limited
Company Registered Number: 09418251**

B2 - Company Creditors - Consumer Creditors

Key	Name	Address
------------	-------------	----------------

0 Entries Totalling

0.00

Kroll Advisory Ltd.
Signature Living Lifestyles Limited
Register of Shareholders

Key	Name	Pref	No of Shares Ordinary	Other	Total
HS00	Signature Living Hotel Limited (In Administration) c/o Kroll Advisory Ltd The Chancery 58 Spring Gardens Manchester M2 1EW	0.00	1.00	0.00	1.00
1 Entries Totalling		0.00	1.00	0.00	1.00

Appendix 4 – Analysis of time charged and expenses incurred

159002 SIGNATURE LIVING LIFESTYLES LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 01/08/2022 to 04/08/2022

ADP-Admin. - Pre Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Dealing with notice of intention to appoint	0.00	1.20	0.00	0.00	0.00	1.20	600.00	500.00
Strategy planning & control (incl engagement financial control)	0.00	0.60	1.50	0.00	0.00	2.10	773.00	368.10
Total Hours:	0.00	1.80	1.50	0.00	0.00	3.30		416.06
Total Fees Claimed: £	0.00	878.00	495.00	0.00	0.00		1,373.00	

ANALYSIS OF TIME COSTS FOR THE PERIOD 05/08/2022 to 30/09/2022

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	0.00	0.60	0.70	0.00	1.30	303.00	233.08
Cashiering & accounting	0.00	0.70	0.40	2.15	0.00	3.25	840.50	258.62
Dealings w/ directors & management (inc associated updates/reporting)	0.00	0.00	0.20	0.40	0.00	0.60	126.00	210.00
IPS set up & maintenance	0.00	0.00	0.10	0.00	0.00	0.10	33.00	330.00
Insurance	0.00	0.00	1.70	0.80	0.00	2.50	681.00	272.40
Statement of affairs	0.00	0.00	0.20	0.00	0.00	0.20	66.00	330.00
Statutory matters (Meetings & Reports & Notices)	0.50	4.80	4.35	2.85	0.00	12.50	4,501.00	360.08
Strategy planning & control (incl engagement financial control)	0.00	1.60	1.25	0.00	0.00	2.85	1,212.50	425.44
Tax Compliance / Planning	0.00	0.00	0.65	0.60	0.00	1.25	304.50	243.60
Creditors								
Dealings with creditors and employees	0.00	0.00	0.00	0.50	0.00	0.50	75.00	150.00
Non Pref Creditors / Employee claims handling	0.00	0.00	0.40	0.00	0.00	0.40	132.00	330.00
Secured Creditors	0.00	0.00	1.00	0.00	0.00	1.00	330.00	330.00
Investigations								
CDDA & reports & Communication	0.00	0.00	0.20	0.00	0.00	0.20	66.00	330.00
Realisation of Assets								
Book debts	0.00	0.00	0.15	0.00	0.00	0.15	49.50	330.00
Freehold and Leasehold Property	0.00	0.00	0.40	0.00	0.00	0.40	132.00	330.00
Sale of business	0.00	0.00	0.10	0.00	0.00	0.10	33.00	330.00
Total Hours:	0.50	7.10	11.70	8.00	0.00	27.30		325.46
Total Fees Claimed: £	325.00	3,410.00	3,861.00	1,289.00	0.00		8,885.00	

Appendix 5 – Narrative of work carried out for the period to date

The key areas of work have been:

SIP 9 narrative for the period to date

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;• Reviewing and authorising junior staff correspondence and other work;• Dealing with queries arising during the appointment;• Reviewing matters affecting the outcome of the Administration;• Allocating and managing staff/case resourcing and budgeting exercises and reviews;• Liaising with legal advisors regarding various instructions, including agreeing content of engagement letters; and• Complying with internal filing and information recording practices, including documenting strategy decisions.
Creditors	<ul style="list-style-type: none">• Updating the list of Unsecured Creditors;• Responding to enquiries from Creditors regarding the Administration and submission of their claims;• Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records; and• Filing notice of the extension of the Administration.
Investigations	<ul style="list-style-type: none">• Managing and reviewing the Company books and records;• Investigating the affairs of the Company to identify any actions available to the company against third parties in respect of antecedent transactions or other litigation;• Obtaining records from third parties;• Reviewing pre-appointment transactions; and• Documenting investigations.
Statutory and compliance	<ul style="list-style-type: none">• Ensuring compliance with all statutory obligations within the relevant timescales;• Drafting and publishing reports; and• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9.
Cashiering	<ul style="list-style-type: none">• Preparing statutory receipts and payments accounts;• Raising journals to manage the estate account and ensure the accuracy of the trial balance; and• General treasury functions.

Tax

- Analysing and considering the tax effects of asset sales;
- 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 6 – Joint Administrators' expenses to date

The Joint Administrators have incurred the following expenses during the period to date.

Category 1 Expenses			Reporting Period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)
AON	Statutory bond	Fixed fee	225	0
AUA Insolvency Risk Services	Insurance of assets	Fixed premium	TBC	0
Courts Advertising	Statutory Advertising	Fixed fee	104	0
Shakespeare Martineau LLP	Legal fees in respect of ad-hoc advice	Time costs and disbursements	813	0
Total			1,142	0

Notes

The above costs exclude VAT.

No Category 2 expenses have been incurred during the Reporting Period.

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 Joint Administrators.

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

The Joint Administrators have the authority to pay Category 1 expenses without the need for any prior approval from the creditors of the Company.

Category 2 expenses are to be approved in the same manner as the Joint Administrators' remuneration.

Appendix 7 – Fee Estimate

Fees Estimate

Project: (159002) Signature Living Lifestyles Limited

From Aug 05, 2022 To Aug 04, 2022

Comments

Post-appointment ADM fee estimate

Administration - Post Appointment (New)								
Classification of Work Function	Hours					Total Hours	Time Cost	Avg. Hourly
	Partner	Manager	Senior	Assistant	Support			
Admin & Planning								
Case review and Case Diary management	0.00	1.00	3.00	3.00	0.00	7.00	2,645.00	377.86
Cashiering & Accounting	0.00	2.00	3.00	3.00	0.00	8.00	3,310.00	413.75
Dealings with Directors and Management	1.00	1.00	2.00	1.00	0.00	5.00	2,455.00	491.00
Insurance	0.00	1.00	2.00	1.00	0.00	4.00	1,705.00	426.25
IPS set up & maintenance	0.00	0.00	0.50	0.65	0.00	1.15	372.00	323.48
Statement of affairs	3.00	1.00	2.00	1.00	0.00	7.00	3,955.00	565.00
Statutory matters (Meetings, Reports and Notices)	5.00	10.00	10.00	10.00	0.00	35.00	17,000.00	485.71
Strategy planning & control	0.00	6.00	5.00	5.00	0.00	16.00	7,290.00	455.63
Tax Compliance/Planning	0.00	1.00	2.00	1.00	0.00	4.00	1,705.00	426.25
Creditors								
Dealing with Creditors and Employees	0.00	0.00	1.00	1.00	0.00	2.00	660.00	330.00
Non Pref Creditors/Employee claims handling	0.00	0.00	2.00	2.00	0.00	4.00	1,320.00	330.00
Preferential Creditors	0.00	0.00	1.00	1.00	0.00	2.00	660.00	330.00
Secured Creditors	2.00	2.00	2.00	1.00	0.00	7.00	3,870.00	552.86
Investigations								
CDDA, reports & Communication	1.00	3.00	3.00	3.00	0.00	10.00	4,725.00	472.50
Financial review and investigations (S238/239 etc)	0.00	2.00	2.00	2.00	0.00	6.00	2,650.00	441.67
Realisation of assets								
Book debts	1.00	5.00	5.00	3.00	0.00	14.00	6,815.00	486.79
Freehold & Leasehold Property	1.00	10.00	8.00	3.00	0.00	22.00	11,280.00	512.73
Sale of Business	2.00	10.00	8.00	5.00	0.00	25.00	12,590.00	503.60
Total Hours	16.00	55.00	61.50	46.65	0.00	179.15		
Total Estimated Fees	12,000.00	36,575.00	23,370.00	13,062.00	0.00		85,007.00	

Appendix 8 – Fee Estimate Narrative

Matthew Ingram and Michael Lennon were appointed Joint Administrators on the Appointment Date.

Introduction

The following information is provided to Creditors to enable them to consider the Joint Administrators' remuneration. It is a summary of key issues, to assist creditors in understanding the strategy of the 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' Proposals which provides further details in relation to the assets, liabilities and estimated return to Creditors, if any. Particular reference is made to the Appendices entitled 'Fee Estimate' and 'Expenses Estimate'.

Should the Joint Administrators anticipate further time costs in addition to the above, they will issue a further 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 performed.

The Joint Administrators provided an initial Fee Estimate in the totalling £55,250. A detailed Fee Estimate is enclosed at Appendix 7.

The Estimated Expenses for the Administration are shown at Appendix 9. This illustrates the incurred and anticipated expenses for the whole of the Administration and is for information purposes only (and does not require approval by any class of Creditor).

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

Estimated Return to Creditors

Secured Creditors

It is presently anticipated that there will be sufficient realisations to enable distributions to be paid to the Secured Creditors.

Preferential Creditors

The Company has no employees. Consequently, no primary preferential claims are anticipated in this matter.

There may be a secondary preferential claim from HMRC in respect of VAT, but not PAYE income tax and employee NIC as the Company has no employees. HMRC have not yet submitted an initial claim in respect of this.

It is currently uncertain whether there will be sufficient realisations to enable a distribution to the secondary preferential creditor.

Unsecured Creditors

Based on the current information available to the Joint Administrators, it is anticipated that there will be insufficient realisations to enable a distribution to the Unsecured Creditors of the Company, other than by way of the Prescribed Part, if any.

Joint Administrators' Estimated Time Costs

Administration & Planning

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.

Total time costs estimated to be incurred for Administration & Planning total £28,940, including time incurred to date.

This process will include, but not be limited to, the following future 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' progress reports.
- Performing periodic and strategic case reviews;
- Undertaking ongoing cashing 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 progress reports to all creditors of the Company;
- Preparing a final report to all creditors of the Company; and
- Internal strategic discussions and meetings.

Statutory Matters

Total time costs estimated to be incurred for statutory matters total £8,785, including the time costs incurred to date. Much of this is in respect of statutory compliance.

The role of an Administrator 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

The Joint Administrators have incurred, and will continue to incur, time costs in relation to Creditors. This includes (but is not limited to) dealing with the following tasks:

- Dealing with Creditor correspondence, emails and telephone conversations regarding claims in the Administration;
- Maintaining up to date Creditors information and claims status on the case management system;
- At the appropriate time, the Joint Administrators will adjudicate and agree Unsecured Creditor claims and make payment of dividends where funds allow.

Much of this work has been, and will continue to be dealt with, by more junior members of staff with senior members of the team becoming involved in more problematic situations.

It is anticipated that total time costs of £5,760 will be incurred in respect of dealing with Creditors.

Investigations

It is a statutory requirement that the Joint Administrators provide a report to the Secretary of State on the conduct of the Directors in their management of the Company to determine their unfitness to act in such a role.

This entails a broad level of investigation to ensure that best practice standards are met and the Revised Fee Estimate reflects this standard. If the Secretary of State then instigates Directors Disqualification proceedings, further time may be expended in providing supporting documents, witness statements etc. Such investigation may or may not lead to further asset recovery so creditors should not assume that this activity will provide a monetary benefit to the Administration estate.

It is estimated that future time costs incurred in fulfilling investigative duties will stand at £5,385. This process will include, but not be limited to:

- 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 Director;
- 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. However, it should be noted a number of associated companies are in formal insolvency processes and therefore it is uncertain whether any inter-company debts are recoverable;
- Completing a detailed review of all of the Company's financial accounts available;
- Reviewing the structure of the investments in the Shankly Hotel and the collective investment scheme operated by the Company;
- Land Registry and Companies House searches;
- Logging, reviewing and actioning upon any investor and creditor complaints and concerns regarding the Director's conduct;
- Internet and social media searches;
- Completion of the Kroll investigation work program; and
- Statutory reporting requirements to the DBEIS in respect of the Director's conduct and any resulting correspondence.

The above time estimate assumes that high level investigations are required. In the event, however, that further investigations are required, the time costs involved are expected to be higher. In such a scenario, the Joint Administrators will advise creditors in future progress reports.

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 £15,165 in dealing with asset realisations. This has and will include the following:

Book Debts

The Joint Administrators estimate total costs of £3,415 in dealing with and realising book debts and intercompany debtors, including time already incurred.

The Joint Administrators are analysing the Company's books and records, in conjunction with working with the senior management team within the group, to reconcile the intercompany position for the Company.

The Joint Administrators will pursue legal recovery proceedings should these amounts not be repaid once identified.

Cash at bank

The Joint Administrators liaised with the bank in order to obtain control of the funds held in the Company's account, however this time has been posted to cashiering and accounting.

No further realisations are anticipated from this source, and as such no further time will be incurred in this regard.

Freehold and Leasehold Property

The Company's primary asset is its Leasehold interest in the Gym.

The Joint Administrators estimate total time costs of £6,255 in dealing with and realising the Gym.

This time will be incurred in matters relating to the marketing of the Gym alongside the Hotel, dealing with the Agents in their valuation of the respective assets, handling of ad hoc matters relating to the leasehold, identifying and valuing the respective assets.

Sale of Business

The Joint Administrators estimate that total time costs of £5,495 will be incurred in relation to the Sale of Business.

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.

Appendix 9 – Expenses estimate

Signature Living Lifestyles Limited (In Administration)
Joint Administrators' Estimated Expenses for the Duration of the Administration

Notes	Company	Activity	Fee Basis	Anticipated Total Costs (£)*	
1	Professional Advisors/Services				
2	TBC	Accountants - post-appointment tax compliance	Fixed fee	£	2,000.00
3	CBRE Limited	Agents - marketing and sale of the business and assets of the Company	0.6% commission on realisations plus any marketing disbursements	£	28,143.53
4	Shakespeare Martineau LLP	Solicitors - legal advice on appointment, debtors, property and other ad-hoc matters	Time costs and disbursements	£	30,000.00
		Sub-total		£	60,143.53
5	Other Category 1 Expenses				
6	AON UK Limited	Bond premium	Bordereau fee	£	225.00
7	AUA Insolvency Risk Services Limited	Insurance of assets	Fixed premium	£	10,000.00
8	Courts Advertising Limited	Statutory Advertising	Fixed fee per advert	£	103.50
9	Total Data Management	Storage of company records	As incurred	£	500.00
		Sub-total		£	10,828.50
10	Category 2 Expenses				
11	Kroll Advisory Ltd	Mileage	45p per mile	£	250.00
12	Kroll Advisory Ltd	Ground travel	As incurred	£	250.00
13	Kroll Advisory Ltd	Subsistence	As incurred	£	250.00
		Sub-total		£	250.00
	Total Estimated Expenses			£	71,222.03

*All costs provided are exclusive of VAT

Notes	
1	The Joint Administrators' choice of professional advisers/services firms will be based on their perception of the experience and ability of the respective firms/individuals to perform the work, the complexity and nature of the assignment and the basis of their fees.
2	The Joint Administrators will engage accountants to assist with the post-appointment Corporation Tax returns to ensure tax compliance in the Administration.
3	The Joint Administrators have engaged agents to oversee and assist with the marketing and sale of the business and assets of the Company.
4	Shakespeare Martineau are engaged by the Joint Administrators to act in relation to the appointment of the Joint Administrators and to provide further ad-hoc legal advice. It is anticipated further legal advice will be required with regards to asset realisations in respect of the sale of the business and assets as a going concern, as well as the debtors and intercompany position.
5	Category 1 Expenses are payments to independent third parties where there is specific expenditure directly referable to the Administration.
6	It is a statutory requirement for Insolvency Practitioners to have a bond on each case to which they are appointed.
7	It 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.
8	Statutory advertising in the London Gazette is required under insolvency legislation.
9	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.
10	Category 2 Expenses are costs that are directly referable to the Administration but do not involve payments to an independent third party.
11	Mileage is the reimbursement of staff expenses at the specified rate for travel by car to and from the Company's trading premises and other meetings.
12	Ground travel relates to the reimbursement of staff expenses at the incurred amount for ground travel by train to and from the Company's trading premises and other meetings.
13	Subsistence is the reimbursement of staff expenses in respect of food whilst working on site.

Appendix 10 – 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 Daniel Ryan at Daniel.O.Ryan@Krollcom.

Information for Creditors on remuneration and expenses of Administrators

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

<https://www.Kroll.co.uk/services/disputes-and-investigations/restructuring/corporate-restructuring/creditor-guides-and-employee-fact-sheets>

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 11 – Proof of Debt form

PROOF OF DEBT - GENERAL FORM

<p align="center">Signature Living Lifestyles Limited - in Administration Company Registration No. 09418251</p>		
<p align="center">Date of Administration: 5 August 2022</p>		
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 12 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents	CBRE, independent property agents engaged to assist with the marketing and sale of the leasehold property
the Appointment Date	9 February 2022, being the date of appointment of the Joint Administrators
the Bank	Santander UK plc, with whom the Company banked
BPRA	Business Premises Renovation Allowance
Category 1 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to persons providing the service to which the expense relates and who are not an associate of the Administrator. These expenses can be paid without prior approval
Category 2 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to associates or where there is an element of shared costs. Such expenses require approval by creditors before payment
the Company	Signature Living Lifestyles Limited (In Administration) (Company Number: 09418251)
the Council	Liverpool City Council
COVID-19	Coronavirus Pandemic
DBEIS	Department for Business, Energy & Industrial Strategy
the Director	Lawrence Kenwright, the director of the Company
EC Regulation	EC Regulation on Insolvency Proceedings 2000
the Group	Signature Living Group
the Gym	Lifestyles Millennium Gym at the Shankly Hotel, Millennium House, 60 Victoria Street, Liverpool, L1 6JD
HMRC	HM Revenue and Customs
the Hotel	The Shankly Hotel at Millennium House, 60 Victoria Street, Liverpool L1 6JD

the Joint Administrators	Matthew Ingram and Michael Lennon of Kroll Advisory Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW
NOA	Notice of Appointment
Preferential Creditor/s	A Creditor with a claim that ranks in priority to other Unsecured Creditors, to floating charge holders and the Prescribed Part. Preferential debts are either 'ordinary', such as certain employee claims, or 'secondary', such as HMRC's claims for VAT and PAYE income tax, which will rank for payment after the ordinary preferential claims are paid in full.
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
QFC	Qualifying Floating Chargeholder
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditor	The holder of a fixed and floating charge over the Company's assets
SHLO	The Shankly Liverpool Ops Limited (Company Number: 09972017)
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and expenses
SLH	Signature Living Hotel Limited (In Administration) (Company Number: 08124207)
SOA	Statement of Affairs, documentation to be supplied by the Director outlining the Company's financial position as at the Appointment Date
the Solicitors	Shakespeare Martineau, independent legal advisors instructed by the Joint Administrators to assist with their appointment and ad hoc legal advice
SSL	Signature Shankly Limited (In Administration) (Company Number: 09418371)
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006
the Website	The Kroll website, which can be found at micro.kroll.com/ukrestructuring

Appendix 13 – Notice about this Statement of Proposals

This Statement of Proposals has been prepared by Matthew Ingram and Michael Lennon, the Joint Administrators of the Company, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before Creditors a statement of their Proposals for achieving the purpose 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.

These Proposals have not been prepared in contemplation of them being used, and are 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 these Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for Creditors.

Any person that chooses to rely on these Proposals for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 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 these Proposals.

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 agent 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 Advisory Ltd. does not assume any responsibility and will not accept any liability to any person in respect of these Proposals or the conduct of the Administration.