

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

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

1 Company details

Company number 0 9 9 9 2 3 2 6

Company name in full Ideal Rooms (Bradford) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice, Business and Property Courts
of England and Wales

Court case number 4 2 6 9 o f 2 0 1 9

3 Administrator's name

Full forename(s) Robert John

Surname Armstrong

4 Administrator's address

Building name/number The Shard

Street 32 London Bridge Street

Post town London

County/Region

Postcode S E 1 9 S G

Country United Kingdom

AM22

Notice of move from administration to creditors' voluntary liquidation

5	Administrator's name ①	
Full forename(s)	Andrew William	① Other administrator Use this section to tell us about another administrator.
Surname	Knowles	

6	Administrator's address ②	
Building name/number	The Chancery	② Other administrator Use this section to tell us about another administrator.
Street	58 Spring Gardens	
Post town	Manchester	
County/Region		
Postcode	M 2 1 E W	
Country	United Kingdom	

7	Appointor/applicant's name	
	Give the name of the person who made the appointment or the administration application.	
Full forename(s)	Court	
Surname		

8	Proposed liquidator's name	
Full forename(s)	Robert John	
Surname	Armstrong	
Insolvency practitioner number	2 1 3 3 2	

9	Proposed liquidator's address	
Building name/number	The Shard	
Street	32 London Bridge Street	
Post town	London	
County/Region		
Postcode	S E 1 9 S G	
Country	United Kingdom	

AM22

Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name^①

Full forename(s)	Andrew William											
Surname	Knowles											
Insolvency practitioner number	2	4	8	5	0							

① Other liquidator

Use this section to tell us about another liquidator.

11 Proposed liquidator'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 liquidator

Use this section to tell us about another liquidator.

12 Period of progress report

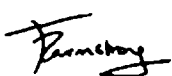
From date	^d 1	^d 6	^m 0	^m 3	^y 2	^y 0	^y 2	^y 2
To date	^d 0	^d 9	^m 0	^m 9	^y 2	^y 0	^y 2	^y 2

13 Final progress report☒ I have attached a copy of the final progress report.**14 Sign and date**

Administrator's signature

Signature

X



X

Signature date

^d 0	^d 9	^m 0	^m 9	^y 2	^y 0	^y 2	^y 2
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**Presenter information**

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

Contact name Josh Guest

Company name Kroll Advisory Ltd.

Address The Shard

32 London Bridge Street

Post town London

County/Region

Postcode SE1 9SG

Country United Kingdom

DX

Telephone 020 7089 4700

**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**

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

Progress Report to Creditors

9 September 2022

Ideal Rooms (Bradford) Limited (In Administration)

Joint Administrators' final Progress Report for the period from 16 September 2019 to 9 September 2022 with a summary of the Administration.

Kroll Advisory Ltd.
The Shard
32 London Bridge Street
London SE1 9SG

Contents

1. Introduction	1
2. Creditor Summary	2
3. Progress of the Administration	3
4. Outcome for Creditors	5
5. Other Matters	5
6. Fees, Expenses and Pre-Administration Costs	6
7. Conclusion of the Administration	9

Appendices

Appendix 1 – Statutory Information	10
Appendix 2 – Approved Proposals	11
Appendix 3 – Receipts and Payments Account.....	12
Appendix 4 – Analysis of Time Charged and Expenses Incurred	13
Appendix 5 – Narrative of Work Carried Out for the Reporting Period.....	16
Appendix 6 – Statement of Creditors' Rights.....	18
Appendix 7 – Definitions	19
Appendix 8 – Notice About This Report	21

1. Introduction

The Joint Administrators were appointed on 16 September 2019 by an order of the High Court of Justice, Business and Property Courts of England and Wales, number 4269 of 2019. The application to the court was made by a creditor.

An application for a block transfer order was made to the High Court of Justice to remove Philip Duffy and Sarah Bell from their appointments as Joint Administrators of the Company and appoint Robert Armstrong and Andrew Knowles in substitution of these appointments. The order was obtained on 16 June 2021. Effective from this date, Robert Armstrong and Andrew Knowles of Kroll are Joint Administrators of the Company.

This report is the Joint Administrators' final progress report and provides creditors with a final account of the Administration of the Company, together with a summary of the Administration as a whole.

The Joint Administrators have also explained the exit route from the Administration and the outcome for each class of creditor.

You will find other important information in this final progress report such as the costs the Joint Administrators have incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 7.

Please also note that an important legal notice about this progress report to creditors is attached at Appendix 8.

2. Creditor Summary

This progress report covers the Reporting Period.

Summary of Proposals

- The approved Proposals are detailed at Appendix 2.
- As previously advised, the Joint Administrators' Proposals for achieving the purpose of the Administration, namely 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), were approved by creditors using the deemed consent process on 15 November 2019, without modifications.
- The Joint Administrators believe that this objective has been achieved, as the Administration has facilitated the investigations, which has allowed the Joint Administrators to issue and serve a claim on the defendants. Further detail of this is provided at section 3.2.3 issued.

Progress to Date (Section 3)

- The Company was incorporated to acquire the Property. A deposit was paid to the owner, but the acquisition did not complete.
- The Joint Administrators have liaised with the Solicitors regarding the recoverability of the deposit and the recovery action remains ongoing.
- The Joint Administrators' investigations remain ongoing as part of their wider appointments over the other companies within the NPD group. The Joint Administrators have now issued and served the claims on the defendants; the value of the claims exceeds £70million.

Outcome for Creditors (Section 4)

- The Company has no secured creditor.
- The Company had no employees and therefore has no preferential creditors.
- Unsecured creditors did not receive a distribution during the Administration, however, it is expected that following the conclusion of the claims against the third parties mentioned above, there may be sufficient realisations to enable a distribution to non-preferential unsecured creditors, but this remains uncertain.

Please note, this report provides creditors with a final account of the Administration of the Company together with a summary of the Administration as a whole. The Previous Reports and the Proposals issued to the Company's creditors are available to view on the Website and paper copies can be provided free of charge by writing to Josh Guest at Josh.Guest@kroll.com. Unless otherwise stated, all amounts in this progress report and appendices are stated net of VAT.

3. Progress of the Administration

This section provides a final update on the strategy for the Administration and progress made, including a summary of the information provided in the Previous Reports.

3.1 Strategy and Progress to Date

The Company was incorporated to acquire the Property. The Company had raised investment from, principally, private individuals in the UK and overseas, into an investment scheme for the acquisition, refurbishment and operation of an aparthotel scheme. Rooms in the Property were marketed as Fabric Aparthotel by Fabric Aparthotel Limited and Dyeworks Student Accommodation by Dyeworks Student Rooms Limited. Both of these companies are connected to the Company by way of a common directorship and beneficial ownership. It was agreed that the investor funds would be put into a separate SPV account solely for the schemes the investors were investing in. Investor funds were in fact being paid into a central bank account operated by NPD and appear to have been used to fund loss making companies within the wider group.

Funds raised from the sales of the rooms were also used in part to fund a deposit for the acquisition of the Property. The Company exchanged contracts to acquire the Property in mid-2016 for £1.08 million, pursuant to which it paid a 10% deposit to the seller. The Company failed to complete the sale as agreed and entered into deeds of variation with the seller, which resulted in the payment of additional deposits. In total, the Company paid a deposit of £443,375 to the seller. The Company entered Administration prior to completing the acquisition and therefore rooms in the Property had been sold prior to the Company owning it.

The Joint Administrators' strategy did not change from the Proposals (detailed at Appendix 2) which was to attempt to realise the Company's assets for the benefit of its creditors.

3.2 Asset Realisations

There have been no realisations during the Reporting Period and Cumulative Period, as set out in the attached Receipts and Payments Account at Appendix 3.

3.2.1 Cash at Bank

As previously reported, the Company did not hold any funds in a separate bank account, and the Joint Administrators understand that funds received from investors were paid into a bank account held by NPD. NPD was placed into Administration on 16 August 2019 with Philip Duffy and Sarah Bell appointed as Joint Administrators. Philip Duffy and Sarah Bell were also removed from their appointments as Joint Administrators of NPD within the application for a block transfer order and subsequently Robert Armstrong and Andrew Knowles were appointed as Joint Administrators of NPD on 16 June 2021.

The review of these funds is part of the wider investigations undertaken by the Joint Administrators, with further detailed provided at section 3.2.3.

3.2.2 Other Debtors

The Company's books and records detailed other debtors totalling £438,475. This relates to a deposit paid to a third party for the purchase of the Property, which totalled £443,375.

The Joint Administrators corresponded with the above third party and their legal advisors for the recovery of this deposit, entailing a legal review by the Joint Administrators' legal advisors.

The Company's books and records also detail an intercompany debt due from Wynclyffe House Hotel Limited (In Administration), in the sum of £10,000. The Joint Administrators are also Joint Administrators of this entity, and it is uncertain whether any funds will be recovered from this source. Further detail will be provided in the next progress report.

The Joint Administrators incurred time costs of £2,141 and £7,316 in the Reporting Period and Cumulative Period respectively liaising with the Solicitors and reviewing the Company's books and records for further information. The recovery of this deposit remains ongoing and an update will be provided in the next report.

3.2.3 Investigations

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

The Joint Administrators investigated the Company's affairs and those of the wider NPD group of companies and the investment schemes. Further work is required in the preparation of claims against third parties, in particular, analyses of email data and other communication, which they will pursue following their appointment as joint liquidators.

The Joint Administrators sought Counsel's advice on the merits of the claims from the ongoing investigations and the information gathered to date. The Joint Administrators received Counsel's opinion on certain claims against third parties.

As previously advised, the details of the claims remain highly confidential, and further details cannot be provided as this may hamper and legal actions. The Joint Administrators have now issued and served the claims on the defendants; the value of the claims exceeds £70million.

No time costs were incurred during the Reporting Period relating to investigations specifically relating to the Company, and time costs of £86,701 were incurred during the Cumulative Period.

Further reports may be submitted to BEIS following the conclusion of the investigations if necessary.

3.3 Costs

No payments have been made in the Reporting Period or Cumulative Period. A receipts and payments account is attached at Appendix 3.

3.4 Schedule of Expenses

The Joint Administrators have detailed the costs incurred during the Reporting Period in the schedule of expenses attached at Appendix 4.

Summaries of the most significant expenses which have been incurred in the Reporting Period but have not been paid are provided below:

Significant expenses incurred during the Reporting Period but not paid

Joint Administrators' time costs	£14,646	Total time costs incurred in the Reporting Period are £14,646 (see Appendix 5).
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Legal fees	£1,054	The Company's legal advisors Addleshaw Goddard have incurred legal fees of £1,054 in dealing with the recovery of the Company's assets, and other ad-hoc legal advice.
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4. Outcome for Creditors

4.1 Secured Creditors

The Company has no registered charges at Companies House, therefore there are no secured creditors.

4.2 Preferential Creditors

The Joint Administrators are not aware of any employees of the Company and therefore, no preferential claims are anticipated.

4.3 Unsecured Creditors

According to the Company's books and records, its unsecured trade creditors owed to unrelated third parties total £3,240. Claims received to date total £200. The books and records also indicate additional balances of £582,819 are due to other companies in the wider NPD group.

It is anticipated that there may be sufficient realisations to enable a distribution to non-preferential unsecured creditors of the Company. The quantum and timing of any potential distribution are dependent on the above recovery actions. Further detail will be provided by the incoming joint liquidators.

4.4 Prescribed Part

The Company was not subject to any floating charges and therefore, the Prescribed Part provisions did not apply.

5. Other Matters

5.1 Creditors' Committee

A creditors' committee was not established in the Administration.

5.2 Joint Administrators' Receipts and Payments Account

A detailed Receipts and Payments Account for the Reporting Period and Cumulative Period is shown at Appendix 3.

5.3 Statement of Creditors' Rights

Further information regarding the remuneration and expenses of the Joint Administrators, including creditors' rights to challenge such costs is provided at Appendix 6, Statement of Creditors' Rights.

6. Fees, Expenses and Pre-Administration Costs

6.1 Fees and Expenses

It has previously been proposed that the Joint Administrators' fees should be based on their time costs and remuneration would be drawn on the basis of time properly given by the Joint Administrators and their staff in accordance with the fee estimate provided in the Joint Administrators' Proposals and Kroll's usual charge out rates for work of this nature.

The Joint Administrators sought the authority to draw remuneration from the Company's unsecured creditors, and decision procedures were held by correspondence on 25 November 2019, 26 June 2020, 13 November 2020 and 16 December 2020. Most recently, it was proposed that 75% of the fee estimate (in the sum of £112,373) be approved to be drawn, with the balance of the 25% to be determined at the end of the Administration should funds be available. No votes were received from creditors in respect of any of the decision procedures.

As approval was not received, the Joint Administrators, with the assistance of the Solicitors, made an application to Court for the approval of the basis of their remuneration and fee estimate. The application made a further request of the Court to make provision for how to fix the quantum of the Joint Administrators' fees. The Joint Administrators were legally obliged to make the application as the relevant timeframe in which to apply to Court is 18 months from the Appointment Date where the basis of remuneration cannot be agreed with creditors.

An initial one-hour directions hearing took place on 15 June 2021 and, in line with the Joint Administrators' request, the Court adjourned the application so that it can be considered on an efficient basis in 2022, once more information regarding the outcome of the Administration is known. The application was due to be listed for a further directions hearing on the next available date after 7 March 2022, and the date of the hearing has now been set as 10 October 2022. The hearing will consider whether the investigations work that the Joint Administrators have carried out should be considered separately to the case specific work in the Administration, and whether the Court should hear the fee approval application made in the Administration together with similar applications made on other insolvencies within the NPD Group or whether each company should be considered separately.

As creditors are aware, there are extensive investigations being carried out across the whole of the NPD Group and the adjournment has provided additional time to not only allow for assets to be realised but also for litigation claims against the NPD Group's advisors to be progressed.

The Court ordered that the costs of the application will rank as an expense of the Administration. It also ordered that the Joint Administrators will be discharged from liability as administrators in the Administration with effect from 28 days after the date on which their final progress report is filed at Companies House.

Further updates will be provided by the incoming joint liquidators as and when this matter has progressed. Under the order made by the Court, creditors are entitled to request details from the Joint Administrators of future hearings relating to this matter (including the hearing set to take place on 10 October 2022).

Joinder Application

At the hearing on 15 June 2021, over 50 investors represented by Alastair Dobbie of Shortlands made an application to be joined as parties to the Joint Administrators' fee approval applications (including the application submitted for the Company). Following adverse judicial comment from Chief Insolvency and Companies Court Judge Briggs, this application was withdrawn, and a costs order was made against Shortlands' clients in favour of the Joint Administrators. The purpose of the Shortlands application had been for one or a small number of investors to be appointed as representatives of all investors or categories of investors across the NPD Group and for their costs, in particular the legal costs of Shortlands, to be paid as an expense of the Administrations, in priority to the claims of creditors.

During the course of the hearing, Counsel instructed by Shortlands revised the application so that a representation order was sought in respect only of the (then) 52 clients he represented. He confirmed however that his clients only wished to proceed with the application on the condition that their legal costs were paid as an expense of the Administrations.

The judge found that the Shortlands application was misconceived and without legal basis. He considered that the condition that Shortlands' clients' costs should be paid as an expense of the Administrations was objectionable to the system of class remedy in insolvency proceedings as it would allow those investors to jump ahead of other creditors in the order of priority to the extent of an unknown amount of costs.

6.1.1 Time Costs

Time has been charged in six-minute units. Details of the time charged in the Reporting and Cumulative Periods are attached at Appendix 4.

Time costs incurred in the Reporting Period total £14,646, which represents 37 hours at an average hourly rate of £396.

Time costs incurred in the Cumulative Period total £157,518, which represents 440 hours at an average hourly rate of £358. Of this time, specialist investigations total £86,574, representing 212 hours at an average hourly rate of £409.

These costs exceed the fee estimates provided in the Joint Administrators' Statement of Proposals and in the latest decision procedure circulated by the Joint Administrators. This is due to the amount of time which has been incurred in relation to the Joint Administrators' investigations, but also due to the ongoing statutory costs of maintaining the Administration estate, including preparing the documentation for and circulating the four decision procedures referred to above, seeking approval to the Joint Administrators' remuneration. It should also be noted that Kroll's charge out rates have increased since the Appointment Date, further impacting the level of costs incurred.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 5.

6.1.2 Fees

As the Joint Administrators do not have fee approval and there are no funds in the estate, no fees have been drawn in the Reporting Period or Cumulative Period.

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 provided in their Proposals to creditors an estimate of the expenses for the Administration, totalling £12,480. This was for information purposes only and it was noted that this could possibly change over the course of the Administration.

Appendix 4 details the final update of the expenses estimate, as well as the expenses incurred and paid during the Reporting Period and the Cumulative Period. Creditors will note that the expenses incurred exceed the original estimate; this is due to the legal costs incurred, partially due to the Administration lasting for longer than originally anticipated (and therefore requiring an extension via the Court) and also due to the process of attempting to recover the deposit paid for the Property.

In the Reporting Period, Category 1 Expenses have been incurred totalling £1,070, none of which have been paid. In the same period, no Category 2 Expenses have been incurred.

For the whole period of the Administration, Category 1 Expenses incurred total £26,504, none of which have been paid. In the same period, no Category 2 Expenses have been incurred. During the Reporting Period, the Solicitors carried out a reallocation exercise in respect of their costs, which resulted in a reduction of their time costs incurred during the Cumulative Period.

6.1.4 Additional Information

Also attached at Appendix 5 is a narrative summary of the work carried out to assist creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to creditors.

Details of how to obtain further information relating to the fees and expenses of the Joint Administrators is set out in Appendix 6.

6.2 Pre-Administration Costs

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

No pre-Administration costs were incurred in respect of the Company, therefore approval from creditors has not been sought.

7. Conclusion of the Administration

7.1 Future Conduct of the Administration

The Joint Administrators have now concluded the Administration. This is the Joint Administrators' final report on the Administration and no further reports will be issued.

The Joint Administrators have filed a copy of this final progress report with the Registrar of Companies, together with the requisite notices to place the Company into Creditors' Voluntary Liquidation.

The Joint Administrators will cease to act when these documents are registered by the Registrar of Companies and will be discharged from liability as administrators in the Administration with effect from 28 days after the date on which their final progress report is filed by the Registrar of Companies.

The Company's remaining assets, namely the deposit paid for the Property, the intercompany debt due from Wynclyffe House Hotel Limited (In Administration) and any funds recovered from the claims against third parties, will be transferred to the Liquidation estate.

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

If you require further information or assistance, please do not hesitate to contact Josh Guest.

Yours faithfully

For and on behalf of

Ideal Rooms (Bradford) Limited



Robert Armstrong

Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Robert Armstrong and Andrew Knowles, 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	Ideal Rooms (Bradford) Limited	
Date of incorporation	8 February 2016	
Registered Number	09992326	
Company Director(s)	Gavin Lee Woodhouse	
Company Secretary	N/A	
Shareholders	Gavin Lee Woodhouse – 100%	
Trading address	61b Listerhills Road Bradford England BD7 1HZ	
Registered office	Current: c/o Kroll Advisory Ltd. The Chancery 58 Spring Gardens Manchester M2 1EW	Former: 61b Listerhills Road Bradford England BD7 1HZ

Administration information

Administration Appointment	The Administration appointment granted in the High Court of Justice, Business and Property Courts of England and Wales, 4269 of 2019	
Appointor	The Court	
Date of Appointment	16 September 2019	
Joint Administrators	Robert Armstrong and Andrew Knowles	
Original purpose	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	
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1	
Current Administration expiry date	15 September 2022	
Prescribed Part	The Prescribed Part is not applicable in this case.	
Application of EC Regulations	These proceedings have been defined as the Main Proceedings under Article 3 of the EC Regulations	

Appendix 2 – Approved Proposals

The following Proposals were deemed approved by the creditors of the Company on 15 November 2019, being the expiry of the period in which a decision can be requisitioned by creditors.

- That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Companies as the Joint Administrators consider necessary until such time as the Administrations cease to have effect.
- That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act as they in their sole and absolute discretion consider desirable in order to achieve the purpose of the Administration.
- That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Companies have no remaining property which might permit a distribution to the creditors, at which stage the Administration will cease.
- That the Joint Administrators, where they consider there are funds available to be distributed to the non-preferential creditors, other than under the Prescribed Part, take the necessary steps to put the Companies into either Creditors' Voluntary Liquidation or into compulsory liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Philip Duffy and Sarah Bell of Duff & Phelps would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. In accordance with Paragraph 83(7) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these Proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act, any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by any one or more of them.

Appendix 3 – Receipts and Payments Account

Ideal Rooms (Bradford) Limited (In Administration)

Joint Administrators' Receipts and Payments Accounts

Estimated Statement of Assets and Liabilities as at 16 September 2019 (£)		For the Reporting Period 16 March 2022 to 9 September 2022 (£)	For the Cumulative Period 16 September 2019 to 9 September 2022 (£)
	Uncharged Assets		
Uncertain	Director's Loan Account	-	-
Uncertain	Investment Property	-	-
Uncertain	Prepayments and Other Debtors	-	-
		<u>0.00</u>	<u>0.00</u>
	Cost of Realisations		
		<u>0.00</u>	<u>0.00</u>
	Net Receipts/Payments	<u>0.00</u>	<u>0.00</u>
	Represented By Balance	<u>0.00</u>	<u>0.00</u>

Appendix 4 – Analysis of Time Charged and Expenses Incurred

Ideal Rooms (Bradford) Limited (In Administration)

Analysis of the Joint Administrators' Time Costs for the Reporting Period

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	0.20	1.00	0.70	0.00	1.90	646.00	340.00
Statutory Matters (Meetings, Reports & Notices)	0.00	0.10	21.80	4.50	0.00	26.40	10,094.00	382.35
Strategy, Planning & Control	0.00	0.10	2.20	1.20	0.00	3.50	1,245.00	355.71
Tax Compliance / Planning	0.00	0.00	1.30	0.00	0.00	1.30	520.00	400.00
Realisation of Assets								
Book Debts	0.00	0.00	3.90	0.00	0.00	3.90	2,140.50	548.85
Total Hours:	0.00	0.40	30.20	6.40	0.00	37.00		395.82
Total Fees Claimed (£):	0.00	178.00	13,407.50	1,060.00	0.00		14,645.50	

Ideal Rooms (Bradford) Limited (In Administration)

Analysis of the Joint Administrators' Time Costs for the Cumulative Period

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	1.50	2.20	7.05	4.10	0.00	14.85	5,005.50	337.07
Cashiering & Accounting	0.00	0.10	0.30	7.25	0.00	7.65	1,448.00	189.28
Dealings with Directors & Management	0.00	0.00	0.00	0.70	0.00	0.70	126.00	180.00
IPS Set Up & Maintenance	0.00	0.00	0.00	1.25	0.00	1.25	174.50	139.60
Statements of Affairs	0.00	0.00	0.00	0.10	0.00	0.10	11.50	115.00
Statutory Matters (Meetings, Reports & Notices)	1.00	5.70	64.00	68.85	0.00	139.55	43,057.50	308.55
Strategy Planning & Control	1.00	0.10	9.90	20.40	0.40	31.80	8,903.25	279.98
Tax Compliance / Planning	0.00	0.00	2.60	0.65	0.00	3.25	1,166.50	358.92
Creditors								
Communications with Creditors / Employees	1.10	0.00	0.30	7.65	0.00	9.05	2,463.00	272.15
Non Pref Creditors / Employee Claims Handling	0.00	0.00	0.00	0.30	0.00	0.30	54.00	180.00
Investigations								
CDDA Reports & Communication	0.00	0.00	0.00	0.30	0.00	0.30	63.00	210.00
Financial Review & Investigations (S238/239 etc)	0.00	0.00	0.20	0.00	0.00	0.20	64.00	320.00
Specialist Investigations	0.00	111.35	2.70	2.85	94.80	211.70	86,574.14	408.95
Realisation of Assets								
Book Debts	0.00	0.00	16.10	0.00	0.00	16.10	7,316.00	454.41
Freehold & Leasehold Property	0.00	0.00	0.00	1.20	0.00	1.20	286.00	238.33
Other Intangible Assets	0.00	0.00	0.10	0.00	0.00	0.10	38.00	380.00
Other Tangible Assets	0.00	0.00	2.00	0.00	0.00	2.00	767.50	383.75
Total Hours:	4.60	119.45	105.25	115.60	95.20	440.10		357.91
Total Fees Claimed (£):	2,754.00	63,604.95	43,548.50	23,352.94	24,258.00		157,518.39	

Ideal Rooms (Bradford) Limited (In Administration)

The Joint Administrators' Expenses for the Reporting Period and Cumulative Period

The Joint Administrators' Expenses for the Reporting Period and Cumulative Period						Reporting Period			Cumulative Period		Variance to
Notes	Company / Organisation	Type of Expense	Activity	Fee Basis	Original Estimate (£)	Amount Incurred (£)	Amount Paid (£)	Amount Incurred (£)	Amount Paid (£)	Original Estimate (£)	
1	Category 1 Expenses										
2	Hewlett Swanson LLP	Legal fees plus disbursements	Assisting with the Joint Administrators appointment and other ad hoc legal matters	Time Costs	10,000.00	-	-	143.00	-	(9,857.00)	
3	Addleshaw Goddard LLP	Legal fees plus disbursements	Assisting the Joint Administrators with the recovery of assets, namely the deposit paid on the Property, with the extension of the Administration and other ad hoc legal Statutory advertising of appointment of Administrators	Time Costs	-	1,053.97	-	26,028.71	-	26,028.71	
4	Courts Advertising Limited	Statutory Advertising		Fixed Fee	255.00	-	-	87.48	-	(167.52)	
5	Barclays Bank	Bank Charges		Set Rate	2,000.00	-	-	-	-	(2,000.00)	
6	AON UK Limited	Bordereau	Statutory bonding	Based on Asset Value	225.00	-	-	225.00	-	-	
7	Total Data Management Limited	Storage	Storage of the Company's books and records and the Joint Administrators' case files	As incurred	-	1.25	-	5.00	-	5.00	
8	Search Fees			As incurred	-	15.00	-	15.00	-	15.00	
Total Category 1 Expenses					12,480.00	1,070.22	-	26,504.19	-	14,024.19	
9	Category 2 Expenses										
Total Category 2 Expenses					-	-	-	-	-	-	
Total Expenses					12,480.00	1,070.22	-	26,504.19	-	14,024.19	

Notes to Expenses Schedule

The Joint Administrators' choice of professional advisors is 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 fees. Kroll Advisory Ltd, being the employer of the Joint Administrators and the staff working on the Administration, is considered an associate of the Administrators.

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

1. Category 1 Expenses are payments to independent third parties where there is specific expenditure directly referable to the Administration.

2. Legal costs and disbursements in respect of the appointment process and ad-hoc legal advice.

3. Legal costs and disbursements in respect of assisting the Joint Administrators with the recovery of assets, namely the deposit paid on the Property, extension of the Administration period and other ad-hoc legal advice. Addleshaw Goddard LLP have carried out a reallocation exercise of elements of their costs, resulting in a reduced total for the Cumulative Period.

4. Statutory advertising of the Joint Administrators' appointment in the London Gazette is required under insolvency legislation.

5. Bank charges

6. It is a statutory requirement for insolvency practitioners to have a bond on each case to which they are appointed. The cost is based on the value of the assets.

7. Books and records of the Company will be stored off site with an external provider for at least the duration of the Administration plus one year. In addition, it is a statutory requirement that the books and records of the Joint Administrators must be kept for six years after the conclusion of the Administration.

8. Search fees incurred through the Isle of Man Government, in relation to the vendor of the aborted acquisition of the Property.

9. Category 2 Expenses are costs that are directly referable to the Administration but not to a payment to an independent third party. No Category 2 Expenses are expected.

The above costs exclude VAT.

Appendix 5 – Narrative of Work Carried Out for the Reporting Period

The key areas of work have been:

SIP 9 Narrative for the Reporting Period

Administration and Planning	<ul style="list-style-type: none">• Monitoring and reviewing the Administration strategy;• Briefing staff on the Administration strategy and matters in relation to workstreams;• Regular case management and reviewing of process including regular team update meetings and calls;• Reviewing and authorising junior staff correspondence and other work;• Reviewing matters affecting the outcome of the Administration;• Allocating and managing staff/ case resourcing and budgeting exercises and reviews;• Liaising with legal advisors regarding various instructions, including agreeing advice on deposit retrieval; and• Complying with internal filing and information recording practices, including documenting strategy decisions.
Statutory and Compliance	<ul style="list-style-type: none">• Ensuring compliance with all statutory obligations within the relevant timescales;• Uploading information to the Website;• Drafting and publishing progress reports;• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9;• Monitoring the fees estimate;• Monitoring the expenses estimate; and• Preparing this final report.
Cashiering	<ul style="list-style-type: none">• Preparing statutory receipts and payments accounts; and• Renewing bonding and complying with statutory requirements.
Asset Realisations	<ul style="list-style-type: none">• Reviewing costs incurred to ensure recorded accurately; and• Seeking legal advice in relation to the recovery of the deposit.

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

In particular, the time spent in relation to Administration and Planning, and Statutory and Compliance does not provide a financial benefit to creditors but is necessary to ensure the efficient and effective running of the Administration and to ensure compliance with statute. The same can be said for communications with individual creditors and investors.

The Joint Administrators' investigations and asset realisation activities, however, may result in a financial benefit to creditors in the event that they lead to recoveries for the insolvent estate.

Appendix 6 – 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 Josh Guest at Josh.Guest@kroll.com.

Information for Creditors on remuneration and expenses of Administrators

Information regarding the fees and expenses of Administrators, including details of the expenses 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 Creditor's Guide to Insolvency Practitioner Fees". This can be viewed and downloaded from the website at:

<https://www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets>

Should you require a copy, please contact this office.

Creditors' requests for further information

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

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

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

Applications are by unsecured creditors (including the unsecured creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Josh Guest at Josh.Guest@kroll.com.

Appendix 7 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Appointment Date	16 September 2019, being the date of appointment of the Joint Administrators
BEIS	Department for Business, Energy & Industrial Strategy
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	Ideal Rooms (Bradford) Limited (In Administration) (Company Number: 09992326)
the Cumulative Period	16 September 2019 to 9 September 2022
the Director	Gavin Lee Woodhouse, the director of the Company
EC Regulation	EC Regulation on Insolvency Proceedings 2000
the Joint Administrators	16 September 2019 to 16 June 2021: Philip Duffy and Sarah Bell of Kroll 16 June 2021 to date: Robert Armstrong and Andrew Knowles of Kroll
Kroll	Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester M2 1EW
NPD	Northern Powerhouse Developments Limited (In Administration), a connected company by way of common directorship and ownership
the Previous Reports	The Joint Administrators' Progress Report to Creditors dated 14 April 2020, 15 October 2020, 14 April 2021, 13 October 2021 and 14 April 2022
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

Word or Phrase	Definition
the Property	The building formerly known as the Stephenson's Building on the south side of Listerhills Road, Bradford, registered at the Land Registry under title number WYK484016
the Proposals	The Joint Administrators' Statement of Proposals dated 1 November 2019
the Reporting Period	16 March 2022 to 9 September 2022
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and expenses
the Solicitors	Addleshaw Goddard LLP
SPV	Special Purpose Vehicle
the Website	https://micro.duffandphelps.com/ukrestructuring/

Appendix 8 – Notice About This Report

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

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

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

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

Robert Armstrong and Andrew Knowles are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

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

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