



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 1 2 5 3 3 4 1 7

Company name in full Trinity Hotel Ltd

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Patrick

Surname Lannagan

### 3 Administrator's address

Building name/number One St Peters Square

Street

Post town Manchester

County/Region

Postcode M 2 3 D E

Country

### 4 Administrator's name ①

Full forename(s) Mark

Surname Boughey

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 90 Victoria Street

Street

Post town Bristol

County/Region

Postcode B S 1 6 D P

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 8	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3
To date	<sup>d</sup> 1	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 4

### 7 Progress report

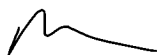
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

<sup>d</sup> 1	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 4
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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 **Angela Ramzan**

Company name **Mazars LLP**

Address **One St Peters Square**

Post town **Manchester**

County/Region

Postcode **M 2 3 D E**

Country

DX

Telephone **+44 (0)161 238 9200**

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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

**Important information**

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

**Where to send**

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

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

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# Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ①  
Attach this to the relevant form.  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
  
All fields are mandatory unless specified or indicated by \*

## 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:  
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7  
- CVA1, CVA3, CVA4  
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25  
- REC1, REC2, REC3  
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15  
- COM1, COM2, COM3, COM4  
- NDISC

## 2 Insolvency practitioner's name

Full forename(s)

Richard

Surname

Cole

## 3 Insolvency practitioner's address

Building name/number

Suite 61st Floor

Street

Stamford House

Post town

Northenden Road

County/Region

Sale

Postcode

M 3 3 2 D H

Country

# Continuation page

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- REC1, REC2, REC3  
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15  
- COM1, COM2, COM3, COM4  
- NDISC

## 2 Insolvency practitioner's name

Full forename(s)

Stephen

Surname

Kenny

## 3 Insolvency practitioner's address

Building name/number

Suite 61st Floor

Street

Stamford House

Post town

Northenden Road

County/Region

Sale

Postcode

M 3 3 2 D H

Country

## Trinity Hotel Ltd t/a Wroxall Abbey Hotel In Administration (**'the Company'**)

Joint Administrators' progress report covering the period from 18 July 2023 to 17  
January 2024

### Contents

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# mazars

Trinity Hotel Ltd t/a Wroxall Abbey Hotel - In Administration

Administrators' progress report covering the period from 18 July 2023 to 17 January 2024

To all known creditors

## 1. Introduction

- 1.1. This report is prepared pursuant to Rule 18.3 and 18.6 of the Insolvency Rules (England and Wales) 2016, the purpose of which is to provide creditors with details of the progress of the Administration covering the six-month anniversary of the Administration, being 18 July 2023 to 17 January 2024 ('the Current Period').
- 1.2. Julien Robert Irving and Mark Boughey of Mazars LLP and Richard Cole and Stephen Kenny of KBL Advisory Limited were appointed as Joint Administrators of the Company on 18 July 2022 by Court Order, upon an application by a creditor of the Company, pursuant to paragraph 12 of Schedule B1 to the Insolvency Act 1986.
- 1.3. Mr Irving retired from the Mazars LLP partnership on 28 February 2023 and was replaced as Joint Administrator in this matter by Patrick Alexander Lannagan, also of Mazars LLP, by Court order on 15 March 2023. All of the Joint Administrators are individually authorised to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.4. This report should be read in conjunction with the Joint Administrators' Proposals issued to creditors on 9 September 2022 ('the Proposals') and the previous progress reports issued in this matter including the report issued to creditors in conjunction with a notice of decision by correspondence regarding remuneration dated 21 December 2023 ('the Fee Report'). For the purpose of this report and all future reports, where required, Mr Irving will be referred to as the 'former Administrator' and Mr Boughey, Mr Cole, Mr Kenny and Mr Lannagan will be referred to as the 'current Administrators' or 'Administrators'.
- 1.5. The purpose of the Administration is realising property in order to make a distribution to one or more secured or preferential creditors as outlined within the Proposals.
- 1.6. The Administration was extended to 17 July 2024 by the consent of each of the secured creditors and a decision of the unsecured creditors on 6 June 2023. The Administration will therefore come to an automatic end on 17 July 2024.
- 1.7. Identification details regarding the Company and the Administrators are attached at Appendix A.

## 2. Administrators' Receipts and Payments

- 2.1. A summary of receipts and payments covering the Current Period is attached at Appendix B. The receipts and payments account also covers the cumulative period from the date of appointment to 17 January 2024 and a comparison of the estimates provided in the Directors' Statement of Affairs to actual realisations made to date is also provided.

- 2.2. There is currently a balance in hand of £83,971 with a current net balance of VAT payable totalling £49,249. Further details of the realisations and expenses paid is provided below. These funds are held at Lloyds Bank Plc in an interest-bearing account. The receipts and payments account also recognises a balance of funds due from ONS Ultimate Holdings Ltd totalling £135,859 in respect of deferred consideration under the SPA and licence fees / payments on account of rent and insurance rent during the period of their occupation of the property (see section 3).

## 3. Asset Realisations and Details of Progress

### Connected Party Transactions:

#### 3.1. Sale of the Business and Certain Assets

- 3.1.1. Statement of Insolvency Practice 13 ('SIP13') requires that details of any transaction involving a connected party are reported to creditors in detail. In this context, a connected party includes a party connected to the Company as defined in section 249 and 435 (as an associate) of the Insolvency Act 1986.
- 3.1.2. Creditors will recall from the previous reports that a sale of the business and assets of the Company was completed to ONS Ultimate Holdings Limited ('the Purchaser'), a company registered in England & Wales (Company no. 12542864) with a registered office at c/o Bennett Brooks & Co Limited, Suite 345, 50 Eastcastle Street, Fitzrovia, London, W1W 8EA on 12 September 2022. Alongside the sale, the Purchaser was granted a Licence to Occupy ('LTO') the leasehold premises described at Wroxhall Abbey Hotel at Birmingham Road, Warwick, CV35 7NB ('the Leasehold Property') for a period of six months to allow time for the leasehold position to be concluded to the satisfaction of all parties.
- 3.1.3. The Administrators provided the requisite information as required by SIP13, including details of the sale agreed and Licence to Occupy terms, in the previous progress report dated 17 August 2023.
- 3.1.4. Creditors will recall that the initial consideration ('the Initial Consideration') was payable as follows:
- i. £100,000 plus VAT payable upon completion; and thereafter,
  - ii. 8 instalments of £11,111 plus VAT commencing on 12 October 2022 and on the 12 of each following month thereafter, with a final payment of £11,112 plus VAT due on 12 June 2023.
- 3.1.5. In respect of the LTO, it was agreed that the Purchaser would make payments to the Company equal to the rent and insurance rent accruing under the lease ('the Rent'), originally calculated to total £198,497 for the LTO period. Upon expiry of the LTO period in January 2023, it was agreed that the Purchaser would remain in occupation of the premises whilst they continued to negotiate with the landlord over an assignment of the lease.
- 3.1.6. To date, funds received from the Purchaser totalling £177,777 plus VAT have been received and allocated to the Initial Consideration leaving a balance outstanding of £22,223 plus VAT.

3.1.7. To date, payments totalling £421,400 have been made to the landlord in full and final settlement to cover the Rent in the period of the Purchaser's occupation from 12 September 2022. Payments have been received from the Purchaser in respect of the licence fees / rent on account totalling £334,326 plus VAT, leaving a balance of £94,673 plus VAT due from the Purchaser.

3.1.8. The Administrators continue to liaise with the Purchaser in respect of the outstanding deferred consideration and payments on account of the rent.

## 3.2. **Leasehold Property**

3.2.1. The Company traded as Wroxhall Abbey Hotel & Spa at the Grade II listed premises at Birmingham Road, Warwick, CV35 7NB. It occupies the premises under a long leasehold entered into on 16 October 2020. The contractual term of the lease expires on 25 August 2120.

3.2.2. In the Current Period, the Administrators and their solicitors have continued to liaise with the landlord, Zircon Bridging Ltd ("Zircon") as secured creditor and the Purchaser with regards to an assignment of the lease to the Purchaser, however ultimately the parties involved could not reach a mutually acceptable agreement.

3.2.3. The Administrators can advise that, whilst outside of the period of this report and following the inability of the parties to reach mutually acceptable deal on the assignment of the lease, the landlord sought a forfeiture of the lease. In light of the Purchaser's continuing arrears of rent to the Administrators (see 3.1.7) as well as Zircon declining to provide funding to cover the rent which continued to accrue to the landlord, the Administrators' consented to the forfeiture. The forfeiture of the lease was effected on 8 February 2024.

## **Unconnected Party Transactions and Details of Work Carried Out in the Period:**

### 3.3. **Assets Subject to Lease Agreements**

3.3.1. Creditors may recall that The Director's Statement of Affairs detailed leased assets with a net book value of £1.12m. These assets are understood to predominantly comprise lease agreements in respect of the majority of the hotel's furnishings.

3.3.2. Under the terms of the SPA, the Purchaser is obligated discharge any ongoing sums due where such a liability relates to continued use of lease / finance chattels transferred. The Administrators understand that all of the finance companies involved have now made contact with the Purchaser who has either negotiated, or is continuing to negotiate, ongoing terms with those finance companies.

3.3.3. In the Current Period, one lease creditor has requested the return of their asset which both the Purchaser and the Administrators have agreed to. It has been requested that the Purchaser liaise directly with the lease creditor to make arrangements for site attendance and removal. These negotiations are ongoing and an update will be provided in the next report.

## 3.4. **Business Interruption and Storm Damage Claim**

- 3.4.1. As previously reported, the hotel was forced to close on 17 August 2022 as a result of storm damage. In the previous period, the Administrators and their appointed trading agents, LSS Group ('LSS') had been working on a detailed assessment of the impact of the sudden closure on loss of income and future revenue as a result of the closure in order that a business interruption claim may be successful.
- 3.4.2. In the Current Period, the Administrators have continued to work with their insurance broker, Marsh Limited ('Marsh') to progress the Storm Damage claim and respond to queries raised by the appointed loss adjusters. This has included requesting information from the directors to assist with the claim which is awaited.
- 3.4.3. Further, the Administrators remain in the process of finalising the business interruption claim which they expect to raise with Marsh in the coming period. Given the nature of the two claims, it is currently not possible to estimate a likely realisable value for the claims which will be subject to further review and negotiation with the loss adjusters.

## 3.5. **Unidentified Receipts**

- 3.5.1. Two receipts, in the sum of £445 and £3,971 were received into the Administration account on 8 December 2023 and 22 December 2023, respectively. It is expected that these receipts comprise debtors due to the Purchaser which have been paid to the Company in error. The balance of these receipts is currently recognised in the balance of funds due from the Purchaser in the receipts and payments account at Appendix B1. The Administrators will confirm the source of these funds and an update will be provided in a future report.

## 4. **Assets Still to be Realised**

### 4.1. **Sale of the Business and Certain Assets**

- 4.1.1. As detailed above, there are sums outstanding from the Purchaser in respect of both the sales consideration due under the SPA and the rent due during the period of their occupation, which the Administrators currently recognise as £135,859. The lease has now been forfeited (outside of the period of this report) and the Administrators are liaising with the Purchaser in respect of the balance due.

### 4.2. **Business Interruption and Storm Damage Claim**

- 4.2.1. As noted at section 3.4, the Administrators are awaiting further information from the directors to assist with progressing the storm damage claim with their insurers and will continue to monitor this in the coming period.
- 4.2.2. With regards to the business interruption claim, the Administrators are in the process of raising their claim with their insurance broker, Marsh.
- 4.2.3. An update on both matters will be provided to creditors in the next report.

## 5. Estimated Outcome Statement

5.1. Attached at Appendix C is an Estimated Outcome Statement ('EOS'). The outcome for creditors is predominantly driven by the values achievable from the realisation of the Company's remaining assets. The EOS provided is subject to the following assumptions:

- The Administrators currently recognise a balance due from the Purchaser in the sum of £135,859. The EOS assumes that this outstanding balance will be paid in full by the Purchaser in the coming period.
- The value of the ongoing Storm Damage and Business Interruption claims have been provided for on a contingent basis at £1 for the purposes of the EOS. The realisable values of these claims are currently uncertain and will not be established until further information has been provided to the insurer.
- The Administrators have assumed that VAT will be chargeable to the Purchaser in respect of payments made to cover the Rent during the full period of their occupation. The matter is currently under review.
- The EOS assumes that there are no monies owed to ONS International Ltd and that its charge was duly registered as satisfied on 4 April 2022 as reflected by current Companies House filings (see 6.1 below).
- The Administrators remain in the process of finalising the trading costs. For the purposes of the EOS, these costs have been estimated at £28,000.

5.2. Further, until the Administrators are able to finalise the matters above and therefore determine the expected realisations and costs of the Administration, the level of funds available for settlement of the fees and disbursements of the Administrators, their solicitors and agents remains uncertain and this is reflected in the EOS.

5.3. The Administrators do not anticipate a return to Zircon as secured creditor as the lease has been forfeited, outside of the reporting period (see section 3).

5.4. It is currently uncertain whether there will be sufficient funds to enable a return to the preferential and secondary preferential creditors as this is likely to be dependent upon the value of any surplus from realisation of the insurance claims and the sums due from the Purchaser after settling the costs of the Administration.

5.4.1. It is currently considered unlikely that there will be a return to unsecured creditors, assuming that realisations and expenses are as anticipated, due to insufficient funds.

5.5. Further details on the expected outcome for each class of creditor is provided below.

## 6. Liabilities

### 6.1. Secured Creditors

6.1.1. Creditors will recall that the Company had granted security over its property to four separate entities, of which three charges are recorded as satisfied at Companies House. These charges, in order of creation, are as follows:

- Coventry & Warwickshire Reinvestment Trust Ltd – a debenture dated 11 December 2020 and registered at Companies House on 15 December 2020 which is recorded as satisfied in full on 20 December 2021.
  - Coventry & Warwickshire Reinvestment Trust Ltd – a legal charge dated 15 December 2020 and registered at Companies House on 15 December 2020 which is recorded as satisfied in full on 20 December 2021.
  - Zircon Bridging Limited – a legal charge dated 12 November 2021 and registered with Companies House on 16 November 2021. This charge is outstanding.
  - ONS International Ltd – a debenture dated 17 March 2022 and registered at Companies House on 28 March 2022, which is recorded as satisfied in full on 4 April 2022.
- 6.1.2. While the security position set out above represents the current filing history of the Company, the Administrators are not able at this stage to comment on the accuracy of the filings. ONS International Limited has disputed the satisfaction of their charge, which was registered as satisfied on 4 April 2022 and this is currently under review by the Joint Administrators as part of their investigation work. Further details in that regard are not being disclosed in the context of this report for reasons of confidentiality. An update on the position will be provided to creditors in due course.
- 6.1.3. In terms of the secured liability, which is currently recorded as outstanding, Zircon holds a legal charge over the leasehold property described in the charge document as Wroxhall Manor, Birmingham Road, Wroxhall, Warwick and registered at the Land Registry with title number WK515006, in relation a loan agreement.
- 6.1.4. The principal sum advanced under the loan agreement was £943,000 and this was required to fund renovation and refurbishment work at the property and to discharge the pre-existing security in favour of Coventry & Warwickshire Reinvestment Trust Ltd. The balance understood to be outstanding as at the date of Administration by reference to a statement issued by Zircon is circa £912,164, though the quantum of their claim remains under review and has not been formally agreed at this stage. The Joint Administrators understand that Zircon also has the benefit of personal guarantees from the directors.
- 6.1.5. Creditors will recall from the previous report that any return to Zircon would only be available from a realisation of the Leasehold property, which requires the consent of the landlord to an assignment of the lease. As noted at section 3 there has now been a forfeiture of the lease and, accordingly, it is not anticipated that there will be a return to Zircon in respect of its security.
- 6.2. **Preferential Creditors**
- 6.2.1. Preferential claims arise from arrears of wages and accrued, unpaid holiday pay due to the former employees of the Company who did not receive their full entitlements on redundancy, prior to the Administration.
- 6.2.2. The Company employed a work force of 36 employees all of whom are expected to have claims for entitlements up to 18 July 2022. Creditors will recall that the wages accrued for the trading period from 18 July 2022 until the employees were made redundant on 17 August 2022 and 18 August 2022 (or up to the date of their resignation where applicable) had been paid as an expense of the Administration.

- 6.2.3. The former employees have claimed for their entitlements from the Redundancy Payments Service ('RPS'). The value of preferential claims in the Administration will include the amount due to the RPS for the funds it has paid out (up to the statutory limit of £571 per week from the National Insurance Fund) plus any individual claims for amounts in excess of the statutory limits paid by the RPS.
- 6.2.4. The Administrators have submitted RP14A details to the RPS to assist in agreeing the employee entitlements and this records wage arrears totalling some £36.5k, of which some £24.5k is considered to be preferential, and holiday pay totalling some £12.2k which is preferential in full. However, the Administrators were restricted in the extent of the Company records available to them to assist employees with their entitlements as a result of the Company data being deleted from the Breathe HR system that recorded holidays. Whilst an assumption has been made that statutory holidays were taken in lieu on occasions that staff were required to work on statutory holidays, certain employees have disputed this. The Director's Statement of Affairs provides no assistance with this as it does not recognise any employee claims and assumes all staff would transfer on a sale of the business.
- 6.2.5. The Company operated an occupational pension scheme with Smart Pension. The Administrators engaged pension advisors, SP Insolvency Limited ('SPIL') to assist with a review of the pension scheme for any ongoing obligations or liabilities. As a result of this work, SPIL has been able to agree the final position Smart Pension and an RP15 claim has been submitted to the RPS for the arrears of contributions to be paid from the National Insurance Fund. The Administrators have received confirmation that this has now been done and the scheme is now closed. The pension claim totalled £5,346.95, of which £3,267.53 is assessed as preferential.
- 6.2.6. A claim has been received from the RPS in the sum of £37,928.97 of which £27,521.62 is being claimed as preferential. It is currently uncertain as to whether there will be a return to preferential creditors as this will be dependent upon the value of any surplus from realisation of the insurance claims and the sums due from the Purchaser, after settling the costs of the Administration. An update will be provided to creditors in due course.
- 6.3. **Secondary Preferential Creditor – HM Revenue & Customs**
- 6.4. Where a Company enters into a formal insolvency procedure on or after 1 December 2020, HMRC will be entitled to preferential status as a creditor in respect of claims for outstanding VAT, PAYE, Employee NICs, student loan deductions and CIS scheme deductions. These claims will have a secondary preferential status and sit behind the preferential claims of employees. HMRC's claims in respect of Corporation Tax and Employers NICs continue to comprise non-preferential claims.
- 6.5. An initial claim has been received from HMRC in the sum of £208,863 of which £140,552 is claimed preferentially.
- 6.6. It is currently uncertain whether there will be any funds available to HMRC in respect of their secondary preferential claim as this will be dependent upon the value of any surplus from realisation of the insurance claims and the sums due from the Purchaser, after settling the costs of the Administration. An update will be provided to creditors in due course.

## 6.7. Unsecured Creditors

- 6.7.1. According to the Director's Statement of Affairs, the Company has 120 unsecured creditors with debts totalling circa £799,986. Formal claims have been received from 35 creditors totalling £333,990.
- 6.7.2. It is currently considered unlikely that there will be a return to unsecured creditors, assuming that realisations and expenses are as anticipated, due to insufficient funds.

## 7. Prescribed Part

- 7.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £800,000, where the first ranking floating charge was created on or after 6 April 2020 (£600,000 if created before then). Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.
- 7.2. Based on the Administrators' current understanding of the security position by reference to the charges registered at Companies House, it appears that there is no floating charge and therefore the provisions of the Prescribed Part do not apply in this instance. Any change in this position will be reported to creditors.

## 8. Investigations

- 8.1. As previously reported, under the Company Directors Disqualification Act 1986, the Joint Administrators are required to investigate the affairs of the Company and the conduct of the directors during the three years prior to the Administration. The Joint Administrators can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service on 14 October 2022.
- 8.2. In accordance with Statement of Insolvency Practice 2, the Joint Administrators also carried out an initial assessment to identify any actions which may lead to recoveries in the Administration and to consider any further investigations which may be required.
- 8.3. In the previous period, the Administrators and their staff, together with their instructed lawyers, Hill Dickinson have undertaken detailed investigations into the conduct of the directors and former director. Consequently, Hill Dickinson have issued letters to certain of the Company's former directors in respect of these investigations and a further update will be provided to creditors in due course. Further details of the Administrators' reviews, correspondence and findings to date are not being disclosed in this report as to do so could prejudice the outcome of any action the Administrators may be entitled to take. The Administrators will aim to provide a more substantive update in the next report.
- 8.4. Should creditors have any information which they consider may assist the Joint Administrators in carrying out their investigations or be aware of any matters which they believe should be brought to the attention of the Administrators, please provide details in writing to this office.

This request for information forms part of the Administrators' investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

## 9. Application Costs

9.1. Creditors may recall from previous reports that costs were incurred by both Mazars LLP and KBL Advisory Limited in the period prior to the appointment of Administrators for work carried out under engagements with ONS International Limited ('ONS'), the applicant, with a view to placing the Company into Administration. ONS had also engaged Napthens LLP as its solicitors to prepare the Court application and the necessary documents in support of the application.

9.2. In circumstances where the Court has directed, the pre-Administration costs associated with placing the Company into Administration may be paid as an expense of the Administration. In this matter, the Administration Order dated 18 July 2022 provides for the costs of the application incurred by ONS. The application costs are summarised in the table below and the figures are given net of applicable VAT.

Firm	Time costs incurred (£)	Disbursements incurred (£)	Total costs (£)
Napthens LLP	59,263.50	14,351.46	73,614.96
Mazars LLP	38,383.72	-	38,383.72
KBL Advisory Limited	15,330.50	-	15,330.50
Total	112,977.72	14,351.46	127,329.18

9.3. These costs were incurred by the applicant prior to the Company entering into Administration but with a view to it doing so. As noted above, the Court Order permits these costs to be paid as an expense of the Administration; however, no payments have been made in respect of these costs to date.

## 10. Administrators' Remuneration

10.1. A decision was made by the creditors by correspondence on 15 January 2024, enabling the Joint Administrators to draw remuneration on the basis of a fixed fee in the sum of £300,000 plus VAT. Creditors are referred to the Fee Report available on the creditor portal which provides further information in respect of the remuneration basis sought.

10.2. There have been no fees drawn either in the Current Period or to date, as there are currently insufficient funds to do so. Details of the work carried out during the Current Period are attached in the narrative summary at Appendix E1.

10.3. By way comparison to the alternative time costs basis, the Administrators' respective firms have incurred time costs totalling £590,499.05, representing some 1,591.55 hours at an average hourly charge out rate of £371.02 to date. It is estimated that a further £40,000 - £50,000 of time costs will be incurred before the end of the Administration, but this could increase subject to the work required to progress the insurance claims and pursue payment

of the outstanding balances from the Purchaser (see section 3 for further details). The Administrators consider that the proposed fixed fee is appropriate in limiting the level of cost that will be drawn from the uncertain level of realisations and is intended to offer a potential benefit to creditors in the event that the level of realisations exceed the Administrators current best estimates.

- 10.4. In the event that additional work is required that is not set out in the Fees Estimate, the Administrators reserve the right to revert to creditors for further approval of an additional fixed fee. Whilst this is currently considered to be unlikely, creditors will be updated if the position changes.
- 10.5. The charge out rates of the team members employed on the assignment during the Current Period are set out at Appendix E2 in respect of each firm. The charge out rates of Mazars are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team members and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6-minute units with supporting narrative to explain the work undertaken.
- 10.6. Details of the future work anticipated to be carried out by the Joint Administrators will include:
- Realising the remaining assets as noted in section 4 of this report;
  - Finalising the Administrators' trading account, agreeing and settling the associated trading costs incurred;
  - Progressing and finalising the insurance claims as outlined at section 4;
  - Concluding work in respect of the Administrators' investigations into the affairs of the Company and the conduct of its directors;
  - Agreeing and settling the remaining costs of the Administration;
  - Adjudication of preferential claims and the payment of a dividend to the preferential creditors, if funds allow;
  - Tax and VAT compliance matters, including preparing tax computations and returns in respect of the Administration period and seeking final tax clearance prior to finalisation of the Administration; preparation and submission of future VAT100 returns; deregistration for VAT once all realisations have been completed; and
  - Reporting, statutory and compliance functions.

## 11. Expenses

- 11.1. Expenses are any payments from the Administration estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.
- 11.2. Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

- Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
- Category 2 expenses: These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration, and creditors will that a decision was made on 15 January 2024 by the creditors in agreement of the anticipated Category 2 disbursement of the Joint Administrators.

11.3. Details of all expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at Appendix D, together with an explanation as to why the expenses have been or will be incurred. This also includes details of the previous Expenses Estimate, for comparison purposes.

11.4. Details of expenses already paid are shown in the Receipts and Payments account at Appendix B1 and Appendix B2. Expenses incurred but not yet paid are summarised below. Values are provided net of any applicable VAT.

Category Type	Payable To	Amount (£)
Application Costs	Refer to section 9.2	127,329.18
Legal Fees and Disbursements	Hill Dickinson LLP	119,665.50
Agents Fees & Disbursements	Sanderson Weatherall LLP	23,769.00
Trading Costs – Management Agent	LSS Group	8,972.00
Trading Costs - Utilities	Warwick County Council; British Gas; BT plc; Water Plus; Virgin Media; Pozitive Energy	Est. £28,000
Administrators' Disbursements	Mazars LLP	2,568.34

11.5. The Joint Administrators have reviewed the expenses incurred to date and are satisfied that they are fair, reasonable and proportionate in the circumstances of the case.

## 11.6. Category 2 Expenses

11.6.1. As noted above, Category 2 Expenses require approval in the same manner as an office holder's remuneration before being paid.

11.6.2. There have been no Category 2 expenses incurred or paid during the current reporting period.

## 12. Creditors' Rights

### 12.1. Further Information

12.1.1. I would advise you that, pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the Court, may, within 21 days of receipt of this progress report, ask the Administrators for further information about the remuneration and expenses set out in this progress report.

## 12.2. Apply to Court

12.2.1. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the Court may, within 8 weeks of the receipt of this progress report, apply to the Court on one or more of the following grounds:

- a. That the remuneration charged by the Joint Administrators; or
- b. That the basis fixed for the Joint Administrators' Remuneration; or
- c. That the expenses incurred by the Joint Administrators.

is in all of the circumstances, excessive or inappropriate.

## 12.3. Further Guidance

12.3.1. Creditors can find additional information on their rights relating to Administrators' fees in a copy of the publication "Administration: A Guide for Creditors on Insolvency Practitioner Fees", which is available to download from <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/> or alternatively will be provided free of charge upon written request to this office.

## 13. Data Protection

13.1. Where the Administrators hold or require personal data from you, we will only do so in accordance with their respective privacy statements, which can be accessed as follows:

Mazars LLP: [www.mazars.co.uk/Legal-and-privacy](http://www.mazars.co.uk/Legal-and-privacy)

KBL Advisory Limited: [www.kbl-advisory.com/legal-regulatory-notice/](http://www.kbl-advisory.com/legal-regulatory-notice/)

## 14. Ending the Administration

14.1. The appointment of the Joint Administrators ceases to have effect at the end of the period of one year beginning with the date of their appointment. However, pursuant to paragraph 76 of Schedule B1 of the Insolvency Act 1986, this may be extended by either:

- An application to Court for a specific period; or
- By consent of the creditors for a specified period, not exceeding one year.

14.2. As noted earlier in the report, the period of Administration has been extended by 12 months to 17 July 2024 by the consent of each of the secured creditors and a decision of the unsecured creditors.

14.3. There are various matters in progress and remaining to be finalised before the Administration can be concluded as noted at paragraph 10.6 of this report. At this stage, it is not anticipated that the period of Administration will need to be extended further in order to complete this work; however, the Administrators will update creditors accordingly.

14.4. Based on the current projections, is not expected that there will be sufficient realisations to enable a dividend to unsecured creditors. As such, it remains the Administrators intention that

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the Company will exit Administration via the dissolution route once the work in the Administration has been finalised.

- 14.5. However, it is also proposed that if it appears to the Joint Administrators that there would be a benefit in placing the Company into Liquidation, that the Joint Administrators are able to exit the Administration by application to Court under paragraph 79 of Schedule B1 of the Insolvency Act 1986, such application to be accompanied by a petition to wind-up the Company.
- 14.6. The Administrators expect to be in a position to provide a more substantive update in the next report.



Patrick Lannagan  
Joint Administrator

Dated 16 February 2024

Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: [www.mazars.co.uk/Legal-and-privacy](http://www.mazars.co.uk/Legal-and-privacy).

The affairs, business and property of the Company are being managed by the Joint Administrators. The Joint Administrators act as agents of the Company and without personal liability.

**TRINITY HOTEL LIMITED T/A WROXALL ABBEY HOTEL - IN ADMINISTRATION**

**APPENDICES INDEX**

**Appendix**

<b>A</b>	<b>Identification Details</b>
<b>B1</b>	<b>Administrators' Receipts and Payments Account</b>
<b>B2</b>	<b>Joint Administrators' Trading Account</b>
<b>C</b>	<b>Estimated Outcome Statement</b>
<b>D</b>	<b>Expenses Statement</b>
<b>E</b>	<b>Analysis of Administrators' Time Costs</b>
<b>E1</b>	<b>Narrative Summary of Work Undertaken in the Current Period</b>
<b>E2</b>	<b>Rates and Expenses Policies</b>

# Trinity Hotel Ltd t/a Wroxall Abbey Hotel In Administration

## Identification Details

### Details relating to the Company

<b>Company name</b>	Trinity Hotel Ltd
<b>Previous names</b>	N/A
<b>Trading name</b>	Wroxall Abbey Hotel & Spa
<b>Company number</b>	12533417
<b>Registered office</b>	Wroxall Abbey Hotel & Spa, Birmingham Road, Warwick, CV35 7NB
<b>Trading address</b>	Wroxall Abbey Hotel & Spa, Birmingham Road, Warwick, CV35 7NB
<b>Court</b>	Business & Property Courts in Manchester, Insolvency & Companies List (ChD)
<b>Court reference</b>	320 of 2022

### Details relating to the Joint Administrators

<b>Date of appointment</b>	18 July 2022
<b>Joint Administrators</b>	Patrick Lannagan and Mark Boughey of Mazars LLP, 90 Victoria Street, Bristol, BS1 6DP  Richard Cole and Steve Kenny of KBL Advisory Ltd, Suite 6, 1st Floor, Stamford House, Northenden Road, Sale, M33 2DH  IP No(s) 009590, 013092, 026070 and 024030 respectively
<b>Joint Administrators' functions</b>	All acts required to be done by the Joint Administrators, may be done by either or both, acting jointly or alone
<b>Joint Administrators' address</b>	C/o Mazars LLP, 90 Victoria Street, Bristol, BS1 6DP
<b>Appointed by</b>	the Court
<b>Joint Administrator's contact telephone number</b>	+44 (0)161 238 9200
<b>Previous Joint Administrators</b>	Julien Robert Irving (Mazars LLP) / IP No 013092  (replaced 15 March 2023 by Patrick Alexander Lannagan)

**TRINITY HOTEL LIMITED T/A WROXALL ABBEY HOTEL - IN ADMINISTRATION**  
**JOINT ADMINISTRATORS RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE PERIOD 18 JULY 2023 TO 17 JANUARY 2024**

S of A £	Notes	From 18/07/2023 To 17/01/2024	From 18/07/2022 To 17/01/2024
		£	£
	SECURED ASSETS		
1,218,000.00	Leasehold Land & Property	-	-
	Goodwill & Business Intellectual Property	-	6.00
	License Fees	321,030.93	428,998.45
		<u>321,030.93</u>	<u>429,004.45</u>
	COSTS OF REALISATION		
	Security Costs - apportionment to Fixed Charge	-	(7,604.01)
	Rent Payable	(69,107.90)	(421,400.44)
		<u>(69,107.90)</u>	<u>(429,004.45)</u>
	SECURED CREDITORS		
(943,000.00)	Zircon Bridging Limited	-	-
		<u>-</u>	<u>-</u>
	ASSET REALISATIONS		
	Sale of Tangible Assets, Records & Contracts	-	199,994.00
	Book Debts	-	5,447.00
	Cash at Bank / Petty Cash	-	12,177.69
	Bank Interest Gross	2,050.68	4,623.09
	Business Interruption / Storm Damage Claim	-	-
Uncertain	Uncharged Assets	-	-
		<u>2,050.68</u>	<u>222,241.78</u>
	COST OF REALISATIONS		
	Trading Surplus / Loss	(51,455.46)	(26,309.38)
	Administrator's Disbursements	-	(770.00)
	Pension Advisors' Fees	(1,500.00)	(1,720.00)
	Legal Fees & Disbursements	(310.00)	(310.00)
	Agents Fees & Disbursements	-	(245.00)
	Security Costs - apportionment to Floating Charge	-	(14,445.99)
	Statutory Advertising	-	(103.50)
	Insurance Costs	(1,529.25)	(7,285.52)
	Bank Charges	(13.60)	(70.90)
	Professional Fees - Bank Analysis	-	(400.00)
		<u>(54,808.31)</u>	<u>(51,660.29)</u>
	PREFERENTIAL CREDITORS		
	Redundancy Payments Service	-	-
	Employees	-	-
		<u>-</u>	<u>-</u>
	SECONDARY PREFERENTIAL CREDITORS		
(305,433.00)	HM Revenue & Customs	-	-
		<u>-</u>	<u>-</u>
	UNSECURED CREDITORS		
(800,044.03)	Trade & Expense Creditors	-	-
		<u>-</u>	<u>-</u>
	DISTRIBUTIONS		
(300,000.00)	Ordinary Shareholders	-	-
		<u>-</u>	<u>-</u>
<b>(1,130,477.03)</b>		<b><u><u>199,165.40</u></u></b>	<b><u><u>170,581.49</u></u></b>
	REPRESENTED BY		
	Current Account		83,971.01
	VAT Accounts		(49,248.50)
	Due From Purchaser		135,858.98
			<u><u>170,581.49</u></u>

**Notes**

1 It should be noted that the movements in the period include a reallocation of previously unallocated receipts.

**TRINITY HOTEL LIMITED T/A WROXALL ABBEY HOTEL - IN ADMINISTRATION**  
**JOINT ADMINISTRATORS' TRADING ACCOUNT**

Statement of Affairs £	Notes	From 18/07/2023 To 17/01/2024 £	From 18/07/2022 To 17/01/2024 £
POST APPOINTMENT SALES			
Non-Refundable Contribution to Trading Costs		-	45,000.00
Sales		-	60,996.25
		-	105,996.25
OTHER DIRECT COSTS			
Wages & Salaries	2	311.16	32,236.04
Payroll Agent's Fees		-	1,385.00
		(311.16)	(33,621.04)
TRADING EXPENDITURE			
Rent and Insurance	2	50,838.10	53,151.97
Heat & Light		-	949.00
Professional Fees		-	40,656.79
Hire of Equipment		-	1,791.60
Repairs & Maintenance		-	176.00
Duress Payments	2	87.00	463.56
Website Hosting		-	90.00
Customer Refunds		169.00	1,355.47
Irrecoverable VAT	2	50.20	50.20
		(51,144.30)	(98,684.59)
<b>TRADING SURPLUS/(DEFICIT)</b>		<b>(51,455.46)</b>	<b>(26,309.38)</b>

**Notes**

- 1 The figures shown in this trading account present the current balance of the Administrators' trading receipts and payments; the process of agreeing and finalising trading costs remains ongoing, however the Administrators currently anticipate a trading loss.
- 2 These movements represent correction journals in the period to properly allocate trading costs to the trading account.

**TRINITY HOTEL LIMITED T/A WROXALL ABBEY HOTEL - IN ADMINISTRATION**  
**ESTIMATED OUTCOME STATEMENT AS AT 17 JANUARY 2024**

	Notes	Received / Paid To Date £	Future Movements £	Estimated To Realise £
<b>FIXED CHARGE REALISATIONS</b>				
Leasehold Property		-	-	-
Goodwill & Intellectual Property		6	-	6
Licence Fees		428,998	-	428,998
		<u>429,004</u>	-	<u>429,004</u>
Rent under License		(421,400)	-	(421,400)
Allocation of Security Costs		(7,604)	-	(7,604)
Administrators Fees & Disbursements		-	-	-
Legal Fees & Disbursements		-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
Zircon Funding/Rent Holiday		-	-	-
Distribution to Zircon Bridging Limited		-	(943,000)	(943,000)
Surplus / (deficit) under Fixed Charge Realisations		<u>-</u>	<u>(943,000)</u>	<u>(943,000)</u>
<b>FLOATING CHARGE REALISATIONS</b>				
Surplus as regard fixed charge		-	-	-
Business Interruption Claim/Storm Damage Claim		-	1	1
Cash at Bank & Petty Cash		12,178	-	12,178
Fixtures, Fittings & Equipment		174,994	-	174,994
Stock		25,000	-	25,000
Other Recoveries		10,070	-	10,070
		<u>222,242</u>	<u>1</u>	<u>222,243</u>
Applicant's Costs		-	-	-
Administrators' Fees		-	-	-
Administrators' Disbursements		(770)	Uncertain	Uncertain
Legal Fees & Disbursements		(310)	Uncertain	Uncertain
Agents Fees & Disbursements		(245)	Uncertain	Uncertain
Trading Loss		(26,309)	(28,000)	(54,309)
Security Costs		(14,446)	-	(14,446)
Insurance		(7,286)	(2,000)	(9,286)
Other Costs of Realisation		(2,295)	(500)	(2,795)
Available to Preferential Creditors		<u>170,581</u>	<u>(30,499)</u>	<u>Uncertain</u>
<b>Represented By</b>				
Cash at Bank		83,971		
VAT Accounts	1	(49,249)		
Due from Purchaser		<u>135,859</u>		
		<u>170,581</u>		

**Notes**

1 The EOS is produced on the assumption that VAT will be chargeable on the Rent & Insurance rent due from the Purchaser post the expiry of the licence to occupy. This matter is currently under review.

2 It should be noted that the EOS above reflects a reallocation of previously unallocated receipts in the period of this report.

## TRINITY HOTEL LIMITED T/A WROXALL ABBEY HOTEL - IN ADMINISTRATION

## EXPENSES STATEMENT

Type of Expenditure	Requirement for Expenditure	Initial Expense Estimate (£)	Incurred in Previous Period (£)	Incurred in Current Period (£)	Likely Future Expense (£)	Total Costs Incurred (£)
<b>Category 1 Expenses</b>						
<b>Professional advisors' costs</b>						
Legal fees and disbursements	Hill Dickinson LLP have been engaged to assist and advise on any legal matters arising during the Administration, including assistance with the asset sale, liaising with the secured creditor and Landlord and providing assistance and advice in respect of the Leasehold Property. This firm of lawyers was chosen based on their experience in insolvency matters and their fees are agreed on a time cost basis. In the Current Period, legal fees of £25,103 plus VAT and disbursements of £3,000 plus VAT have incurred. A provision of £15,000 has been made for future costs in respect of legal advice / assistance required on any future matters arising in the Administration.	139,414.00	94,559.50	25,106.00	15,000.00	134,665.50
Agent's fees and disbursements	Sanderson Weatherall LLP ('SW') were engaged prior to the Administration initially to provide an independent professional valuation of the assets for insurance cover purposes and their engagement has continued in the Administration. SW have provided confirmation that they are independent and that they carry sufficient professional indemnity insurance. They were chosen because of their experience of performing this work within an insolvency scenario. Their fees have been agreed on a time cost basis plus disbursements. In the Current Period, time costs of £1,800 plus VAT and disbursements of £848 plus VAT have been incurred. To date, SW have incurred costs of £12,750 in relation to chattel assets and £9,800 in relation to property work with disbursements of £371 (mileage) and £848 (security). No future costs are anticipated.	23,769.00	21,121.00	2,648.00	-	23,769.00
Pension Advisors Fees	SP Insolvency Limited were engaged to carry out a review of the Company's pension arrangements and provide guidance to the Administrators on any work required to finalise the scheme. This firm have been chosen on the basis of their skills and experience in this field. One pension scheme (SMART pensions) was identified and a report was provided at a fixed cost of £220. In the previous period, costs in the sum of £1,500 incurred, which represented a fee in respect of preparation and submission of a RP15 claim to the RPS in respect of outstanding pension contributions due as at the date of appointment and assisting with final arrangements and closure of the scheme. In the Current Period, no fees have incurred and as the scheme is now closed, no future costs are anticipated.	1,720.00	1,720.00	-	-	1,720.00
<b>Other expenses</b>						
Corporation tax	It is likely that Corporation Tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest bearing deposit account. It is also possible that Capital Gains Tax will be payable in respect of certain realisations. The position is currently under review with Mazars tax team and details will be provided to creditors in a future report.	-	Uncertain	Uncertain	Uncertain	Uncertain
Rent and Insurance Rent	The Company traded from the Leasehold Property at Birmingham Road, Warwick, CV35 7NB. It occupied the premises under a long leasehold entered into on 16 October 2020. Rent has been accruing under the lease following the Administrators' appointment. The rent accrued for the period to the sale of the business is included within the trading account. Following the sale to the Purchaser on 12 September 2022, rent has continued to accrue. The total sum of £421,400 has been paid to the landlord in respect of the period of the Purchaser's occupation.	-	331,661.64	89,738.36	-	421,400.00
Administrators' Trading Account	The hotel continued to trade under the management of the Administrators for a short period from 18 July 22 to 17 August 2022 whilst offers were sought for the hotel and the Company's assets (noting that the hotel was forced to close on 17 August 2022 due to storm damage). A sale of the Company's tangible assets was completed to ONS International Ltd on 12 September 22, alongside the granting of a Licence to Occupy, and the Administrators' vacated the Property on the same date. The Administrators anticipate a trading loss though they remain in the process of finalising and agreeing the trading costs. An update will be provided to creditors in the next report.	-	Uncertain	Uncertain	Uncertain	Uncertain
Security Costs	Moorcroft VPM Ltd were engaged by the Joint Administrators to provide security services to the site following the closure of the business on 17 August 2022. They were selected due to their experience and expertise in dealing with vacant properties. Their costs were agreed on a time costs basis, with materials charged at cost and manned guard provided at a rate of £17.5 per hour. All costs were incurred in the previous periods and as all outstanding work is complete, no future cost is anticipated.	22,050.00	22,050.00	-	-	22,050.00
Statutory Advertising	Costs are to be paid to Courts Advertising for statutory advertising requirements including London Gazette advertisements for the notice of appointment. No other statutory notices are anticipated at this stage.	103.50	103.50	-	-	103.50
Bank Charges	Charges payable to Lloyds Bank Plc in respect of transaction charges arising on the Administration bank account.	109.40	57.30	13.60	-	70.90
Professional Fees- Bank Statement Analysis	As part of the Joint Administrators' statutory investigations, a fee of £400 plus VAT was incurred and payable to Prism 339 Limited in respect of assistance with Company bank accounts analysis. All work has been completed in the previous period and no further fees are anticipated.	400.00	400.00	-	-	400.00
Insurance of Assets	Insurance cover under the Insolvency Scheme was arranged via Marsh Limited in respect of the Company's trade and assets, until they were disposed, which includes insurance in respect of the leased premises. Some cover is still required in relation to the property and insurance costs incurred in the Current Period total £1,019.50 representing a cost of £509.75 per quarter. Future costs are estimated to the date of forfeiture of the lease and final bills are awaited.	7,285.77	5,756.27	1,019.50	200.00	6,975.77

## TRINITY HOTEL LIMITED T/A WROXALL ABBEY HOTEL - IN ADMINISTRATION

## EXPENSES STATEMENT

Type of Expenditure	Requirement for Expenditure	Initial Expense Estimate (£)	Incurred in Previous Period (£)	Incurred in Current Period (£)	Likely Future Expense (£)	Total Costs Incurred (£)
Marketing Costs	The business was marketed on IP-Bid Limited, a specialist website site, marketing distressed and insolvent companies. This cost represents the cost of using this platform and not further costs are anticipated.	245.00	245.00	-	-	245.00
Joint Administrators' disbursements	Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds to do so.  Disbursements incurred by Mazars LLP in the previous periods include:		1,675.41	7.06	100.00	1,782.47
	• Specific bond- The premium cost of insuring the Company's net assets as required by statute, paid to Marsh Limited.	742.50	742.50			
	• Travel costs- Motorway Toll costs payable whilst travelling to the Company's premises.	112.42	112.42			
	• Subsistence- Costs incurred by the Administrators and their staff in respect of meals whilst on site trading the business.	41.88	41.88			
	• Postage- Costs paid to third party provider, Postworks Limited for postage charges.	15.67	8.61			
	Disbursements incurred by KBL Advisory in the previous periods include:					
	• Specific bond- The premium cost of insuring the Company's net assets as required by statute, paid to Marsh Limited.	720.00	720.00			
	• Record management costs- Costs paid to DocuSoft Limited in respect of records being stored electronically on a cloud based system.	50.00	50.00			
	In the current period, the following costs have been incurred by Mazars LLP:					
	• Postage - Costs paid to third party provider, Postworks Limited for postage charges.			-	7.06	100.00
	No expenses have been incurred by KBL Advisory in the Current Period.					
	In the previous period , KBL's disbursements in respect of Specific bond and Record management costs was paid in the sum of £770 plus VAT. The costs incurred by Mazars LLP are yet to be re-charged to the estate. A provision of £100 has been included for future postage costs.					
Total Category 1 Expenses		196,779.14	479,349.62	118,532.52		597,882.14
Category 2 Expenses						
These expenses require approval in the same manner as the office holder's remuneration.						
Joint Administrators' Disbursements - Mileage	This expense represents the costs of the office holder/their staff in travelling to and from the Company's trading premies and attending the Joint Administrators offices for strategy meetings. These expenses have been paid by Mazars LLP in the first instance but not yet re-charged to the estate.	1,655.87	1,655.87	-	-	1,655.87
Total Category 2 Expenses		1,655.87	1,655.87	-	-	1,655.87
Mazars LLP Remuneration						
Application Costs	The Administration Order dated 18 July 2022 provided for the costs of the application incurred by ONS as applicant to be paid as an expense of the Administration - these costs are understood to be: Naphthens LLP - £73,614.96 plus VAT Mazars LLP - £38,383.72 plus VAT KBL Advisory - £15,330.50 plus VAT The Court Order permits these costs to be paid as an expense of the Administration. Further details of these costs are provided in section 9 of the report. These costs were incurred prior to the Company entering Administration but with a view to it doing so.	127,329.18	127,329.18	-	-	127,329.18
Joint Administrators' remuneration	Management of the Company's affairs in order to achieve the objective of the Administration. Realising and distributing the Company's assets and performing those tasks required as dictated by statute, best practice and ethical requirements. The Joint Administrators' remuneration was approved by the creditors on 15 January 2024 on a fixed fee basis in the sum of £300,000 plus VAT as set out in the Fees Pack to creditors on 22 December 2023. These fees are to be paid as and when funds become available. No funds have been drawn to date.	300,000.00	-	300,000.00	-	300,000.00
Total Mazars LLP Remuneration		427,329.18	127,329.18	300,000.00		427,329.18
Total		625,764.19	608,334.67	418,532.52		1,026,867.19

## Notes

## Professional advisors

The office holder's choice of the professional advisors listed above was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

The office holders have reviewed the costs incurred to date and are satisfied that they are reasonable in the circumstances of the case.

## 2. Category 2 Expenses

The office holders have reviewed the expenses which have been or are likely to be incurred in this matter and do not consider that there are any instances where payments could reasonably be perceived as presenting a threat to the office holders' objectivity or independence by virtue of a professional or personal relationship, including to an associate, and which require approval as a Category 2 Expense, other than those listed above.

## NARRATIVE SUMMARY OF WORK UNDERTAKEN

**Introduction**

The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors.

**Work carried out in the Current Period**Administration and planning

The following work has been undertaken:

- Completing case strategy notes;
- Holding strategy and planning meetings internally with team members and with solicitors in respect of ongoing matters;
- Regular review of the case strategy against the Administration objective;
- Electronic filing; and
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.

The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.

Taxation

The following activities were undertaken in order to ensure the Company is compliant with tax requirements:

- Preparing and filing post-appointment VAT returns, as required by statute;
- Corresponding with HM Revenue and Customs ('HMRC') to appeal against error VAT penalty;
- Liaising with HMRC and internal Mazars Tax team in respect of pre-appointment Corporation Tax return;
- Seeking guidance from internal Mazars Tax and VAT team on various matters arising in the Administration;
- Preparing tax computations & finalising the pre-Administration tax returns; and
- Submitting tax returns as required by statute.

The majority of this work derives no financial benefit for creditors, however, it is required in accordance with tax legislation and finalising the pre-Administration position of the Company over all heads of taxes will assist HMRC in finalising their claim. Submission of post-Administration VAT returns as required by statute will help facilitate the recovery of VAT incurred on Administration costs for the benefit of the Administration estate.

Investigations

Investigations are required in accordance with Statement of Insolvency Practice 2 to identify whether any assets have been dissipated and what recoveries can be made to enhance the funds available to distribute. They also assist with the Administrators' duty under the Company Directors Disqualification Act 1986. Further details of the investigation required to be carried out is provided within Section 8 of the report.

A summary of the work undertaken in the Current Period is as follows:

- Discussing investigation areas with legal advisors and seeking further information from various parties.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure compliance with statutory duties. This work can lead to further recoveries where certain, challengeable transactions are identified and creditors will be kept up to date in this regard.

Realisation of Assets

The work undertaken in respect of the realisation of the Company's assets is detailed in Section 4 of the report. The main assets comprise the leasehold and business of the Company and work undertaken in the Current Period includes:

## NARRATIVE SUMMARY OF WORK UNDERTAKEN

- Numerous detailed reconciliations of the deferred consideration and licence fee receipts and payments; discussions with Purchaser and their financial advisors re calculations and timing of payments;
- Liaising with utility company and their solicitors regarding invoices in relation to the post-administration period;
- Review of insurance cover, insurance terms and updating Marsh of any amendments to the cover;
- Liaising with lease creditor, Purchaser and solicitors with regards to assets on site; including making arrangements for collection of leased assets as appropriate;
- Dealing with, including detailed assessment of, retention of title ('ROT') claim, liaising with the Purchaser in respect of any residual stock on site, corresponding with solicitors and drafting responses to claimant outlining their position;
- Liaising with the landlord and their solicitor; reviewing the landlord position with solicitors;
- Negotiating forfeiture of the lease with the landlord, liaising with the landlord, our solicitors, the Purchaser and other interested parties in that regard.
- Liaising with insurers with regards to flood damage claim and requesting information from the Purchaser to progress the claim; and
- Progressing the business interruption claim which resulted from the above flood damage claim.

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances. These matters have required significant input from senior team members and the Joint Administrators directly due to the complexities surrounding the lease position, sale and performance of ONS under the SPA and LTO.

Employees

The Company employed a workforce of 36 staff. Further information regarding employees' claims is included within Section 6 of the report. The Company also operated an occupational pension scheme with SMART pensions.

The Administrators have already undertaken the following work in this category in the Current Period:

- Liaising with the employees in respect of claims and the Redundancy Payments Service ('RPS') in relation to missing information; and
- Finalising and closure of the SMART pension scheme.

The above work is required to enable the employees' claims and the Company's interest in the pension scheme to be dealt with appropriately and in accordance with statute. The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors. However, where a dividend is payable to preferential creditors, the work involved in assessing and adjudicating employee claims does have provide a financial benefit to those creditors.

Creditors

Zircon Bridging Limited ('Zircon') is a secured creditor and holds a legal charge over the leasehold property described in the charge document as Wroxhall Manor, Birmingham Road, Wroxhall, Warwick and registered at the Land Registry with title number WK515006, in relation a loan agreement. ONS International Limited ('ONS') may also be a secured creditor as it has disputed the pre-Administration satisfaction of their charge, and this position is currently under review. Further information is provided at Section 6 of this report.

There are preferential creditors in the RPS and certain employees with residual claim in excess of statutory limits, or which could not be verified by reference to the available Company records.

In addition, there are approximately 129 unsecured creditors by reference to the Statement of Affairs.

In order to ensure that creditors are dealt with appropriately, the following work has been undertaken in the Current Period:

- Liaising with the secured creditors and their solicitors in relation to various matters including the leasehold position;
- Logging unsecured creditor claims received; and
- Responding to creditor queries as they arise.

There is a financial benefit to creditors in carrying out this work as this ensures that creditor claims are correctly recorded, and information is available to facilitate the future adjudication of claims in the Administration as required.

NARRATIVE SUMMARY OF WORK UNDERTAKEN

Reporting

The Administrators have undertaken the following work in the Current Period:

- Preparation and issue of Administrators' second Progress report and notices;
- Preparation and issue of Administrators' Fees Pack and notices to creditors; and
- Inter-firm reporting between the Joint Administrators.

The majority of this work is prescribed by statute and derives no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Cashiering

Cashiering work undertaken includes:

- Bank account maintenance, including periodic reconciliations;
- Monitoring bank account for receipt of anticipated funds; and
- Issuing payments and banking receipts and preparing the appropriate paperwork for such transactions.

The majority of this work derives no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by the Administrators' regulatory body.

Statutory and Compliance

The work undertaken as required by statute and the firm's internal procedures involves:

- Carrying out internal case reviews and preparing the case strategy note;
- Case bordereau; and
- Preparation of documenting the outcome of creditor decision in respect of the Administrators' remuneration.

The majority of this work is required by statute and our firms' internal procedures and derives no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

## TRINITY HOTEL LIMITED T/A WROXALL ABBEY HOTEL - IN ADMINISTRATION

## RATES AND EXPENSES POLICY

**Charge-out rates**

Details of the current charge-out rates of the personnel working on this case are set out below:

	Partner	Director	Associate Director / Manager	Senior Executive / Executive	Cashier	Support staff
Current charge out rate per hour effective from 1 September 2023 - Range (£)	575-863	500-713	370-633	220-449	130-449	130-230
Charge out rates per hour effective from 1 September 2022 - 31 August 2023 (£)	500-625	440-550	280-475	180-300	120-300	120-175

Charge-out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Specialist departments within our Firm, (Tax and VAT) may charge a number of hours if and when their expert advice is required. The rate ranges above incorporate these different rates.

**Expenses**

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements.

Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

- **Category 1 expenses:** These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.
- **Category 2 expenses:** These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner persons as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

It is proposed that the following Category 2 expenses incurred in administering the case be charged:

- *Mileage will be charged at relevant HM Revenue & Customs prevailing rates, currently 45p per mile.*

All other disbursements are to be reimbursed at cost.

The Joint Administrators reserve the right to increase the charges applicable to mileage in accordance with any increases in the prevailing rate set by HM Revenue & Customs. Any material amendments will be advised to creditors in the next statutory report.

## KBL Advisory Limited's Published Charge Out Rates and Expenses Policy As At July 2022

### Time

Our hourly charge out rates are charged in 6 minute units.

The actual rate charged will depend upon the nature of each activity undertaken for the case and / or the person undertaking that activity. The firm's charge out rates, which may increase from time to time during the course of the case, are as follows with effect from 1 July 2022:

Grade / activity	Hourly rate (charged in 6 minute units)
	£
Director	495
Senior Manager	440
Manager	385
Assistant Manager	340
Senior Administrator	305
Administrator	255

### Allocation of Time

Time is allocated by function and the main categories are set out below:

#### Administration and Planning

Statutory & Compliance Work  
Statutory Advertising  
Bonding  
Correspondence with Other Office Holders  
Health & Safety  
Books & Records  
Closing  
Filing & Photocopying  
Travel  
Case Reviews  
Case Management and Monitoring  
Strategy

#### Creditors

Agreement of Creditors' Claims  
Preferential Creditors  
Secured Creditors  
Unsecured Creditors  
Employee Matters  
Reporting To Debenture Holder  
Committee Report & Meeting  
Statutory Reporting To Creditors  
Payment of Dividend

## Asset Realisations

Business and Assets  
Freehold Property  
Leasehold Property  
Plant & Machinery / Motor Vehicles.  
Stock  
Other Assets  
Books Debts  
Refunds  
Insurance of Assets  
ROT

## Investigations

Pursuing Antecedent Transactions  
CDDA Reports  
Review of Pre-Appointment Transactions  
Reports on Conduct

## Trading (If applicable)

Supervision and Management of Ongoing Trading  
Management of Operations  
Cashiering For Trading

## Pre-Appointment Work

Conflicts Check  
Preparation of Pre-Appointment Reports

## Tax & VAT

Submission of Tax and VAT Returns  
Correspondence with HMRC  
Tax & VAT Reviews

## Cashiering

Management and Operation of Estate Account  
Statutory Receipts and Payments Accounts  
Bank Reconciliations

## Consultants

From time to time, the firm may engage the services of self-employed or freelance consultants to assist in the administration of a case.

Where such consultants are engaged, their time is charged and recorded on the firm's time recording system at the level commensurate with their experience and at the same grade as equivalently experienced and directly employed staff fulfilling that role.

## Expenses

Expenses incurred directly in connection with the administration of all cases are charged at the following rates:

Expense	Charge Policy
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Postage	At Cost
Photocopies / Printing	If Undertaken By Third Party; At Cost
Document storage / retention	£50 per case at cost through a third party provider
AML checks	£5 per individual
Faxes Sent / Received	If Undertaken By Third Party; At Cost
Room Hire Where Required For Statutory Meetings (Whether Meetings Are Attended Or Not)	At Cost
UK Company, Individual And Company Searches	At Cost
Credit Searches (Individual And Company)	At Cost
Travel & Accommodation Costs As Required	At Cost (Hotels, Air Travel, Rail, Taxis, Public Transport, Parking, Subsistence etc.).
Other Third Party Expenses Incurred Directly In Connection With The Case	At Cost

## Category 2

Business mileage	Business mileage is charged at HMRC's non-profit rate which is currently 45 pence per mile.
Postage and stationery	<p>For all official stationery, printing, postage and telephone charges including notices to creditors and contributories in respect of the first meeting of creditors and contributories:</p> <p>(i) For a number of creditors and contributories not exceeding 25 - £150  (ii) For every additional 10 creditors and contributories or part - £40</p> <p>Where any other reports are issued or meetings of creditors or contributories are held by the office holder for the issuing of those reports or for the summoning and holding of those meetings:</p> <p>(i) For a number of creditors and contributories not exceeding 25 - £120  (ii) For every additional 10 creditors and contributories or part - £30</p>
Room hire	£75 for room hire made available in-house for case specific meetings. Charge is only be made when attendance of debtor/ director and/or creditors is likely and a meeting room has been set aside. Where appropriate, external room hire at cost (Category 1)
Storage	Either pro-rata per number of boxes per storage charge invoice where an external records storage provider provides this facility to the firm (Category 1). Or £5 for each box and £5 per box per annum storage. (Category 2)

Please note that the above charges and policies are subject to review.