Rule 2.25 Form 2.16B(Scot)

The Insolvency Act 1986

Statement of administrator's proposals

Pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.25 of the Insolvency (Scotland) Rules 1986

Name of Company	Company number
Scottish Highland Hotels Limited	SC055493

(a) Insert full name(s) and address(es) of administrator(s)

We (a) Paul Williams, Paul Clark and David Whitehouse of Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG

attach a copy of our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 27 October 2014

Signed _____
Joint Administrator

Dated 27/10/14

Contact Details:

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

	Tel
DX Number	DX Exchange

THURSDAY

S3JKK0RS
SCT 30/10/2014 #142
COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF
DX 35 Edinburgh / LP 4 Edinburgh-2

DUFF & PHELPS

Report to Creditors

27 October 2014

Carlton Hotel (Edinburgh) Limited
Scottish Highland Hotels Limited
Stirling Highland Hotel Limited
(All in Administration)

Joint Administrators' Report to Creditors and Statement of Proposals
for the period 11 September 2014 to 22 October 2014
Pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London
SE1 9SG

Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
Addleshaw Goddard	Addleshaw Goddard LLP, solicitors instructed by the Joint Administrators
the Appointment Date	11 September 2014, being the date of appointment of the Joint Administrators
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administrations
DBIS	The Department for Business, Innovation and Skills
the Director	Declan McKelvey, the director of all of the companies in the Group
Duff & Phelps	Duff & Phelps Ltd., The Shard, 32 London Bridge Street SE1 9SG
EC Regulation	EC Regulation on Insolvency Proceedings 2000
the English & Welsh Companies	Combe Grove Manor Hotel & Country Club Limited, Furlong Cotswolds Limited, Furlong Hotels Limited, Old Ship Hotel (Brighton) Limited, Paramount Hotels Limited, Paramount Hotels (Basingstoke) Limited, Paramount Hotels (Daventry) Limited, Paramount Hotels (Hinckley) Limited, Paramount Hotels Walton Hall Limited, Paramount Hotels Services Limited, UK Hotels (Finance) Plc, Paramount Hotels Group Limited, Paramount Hotels Holdings Limited, Paramount Hotels Investments Limited, The Lygon Arms Hotel Limited (All in Administration)
the Former Directors	Peter Procopis and Michael Jourdain, the directors of the Parent Company and former directors of the Group
the Group	Carlton Hotel (Edinburgh) Limited, Scottish Highland Hotels Limited and Stirling Highland Hotel Limited (All in Administration)
Hilco	Hilco Appraisal Europe, valuation agents instructed by the Joint Administrators
HMRC	HM Revenue and Customs
the Joint Administrators	Paul David Williams, Paul John Clark and David John Whitehouse of Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG
Knight Frank	Knight Frank LLP, valuation agents instructed by the Joint Administrators
LSREF or the Secured Creditor	LSREF III Wight Limited, the holder of various charges and securities registered against the Group
MMS	Maclay Murray and Spens LLP, solicitors instructed by the Joint Administrators

the Parent Company	UK Group of Hotels plc (In Administration) (Company Number: 05112298)
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Purchaser	The purchasers of the businesses and assets of the Group as detailed in Appendix 8
the Reporting Period	11 September 2014 to 23 October 2014
RPS	Redundancy Payments Service
the Rules	Insolvency (Scotland) Rules 1986
the Security Trustee	Hudson Agency Services Limited
SIP 9	Statement of Insolvency Practice 9 (Scotland) – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SIP 16	Statement of Insolvency Practice 16 (Scotland) – Industry best practice for Insolvency Practitioners in relation to disclosure of information with respect to a 'Pre-Packaged' sale of business and/or assets
SOA	Statement of Affairs, documentation to be supplied by the Director outlining the Group's financial position as at the Appointment Date
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006

Contents

1. Introduction
2. Background
3. Events Leading up to the Administrations
4. Purpose of the Administrations
5. Progress of the Administrations to Date
6. Statement of Affairs
7. Statement of Pre-Administration Costs
8. Joint Administrators' Costs
9. Dividend Prospects / Prescribed Part
10. EC Regulation
11. Creditors' Meetings
12. End of the Administrations
13. Joint Administrators' Proposals
14. Other Matters

Appendices

1. Statutory Information
2. Receipts and Payments Accounts
3. Analyses of Time Charged and Expenses Incurred
4. Joint Administrators' Statement of Pre Administration Costs
5. Statement of Affairs
6. Statement of Claim Forms
7. Disclosure in accordance with Statement of Insolvency Practice 16 (Scotland) "Pre-Packaged Sales in Administrations"
8. Group Structure Chart
9. Table of Intercompany Receivables
10. Joint Administrators' Report and Statement of Proposals regarding the English and Welsh Companies

1. Introduction

1.1 The Joint Administrators were appointed on the Appointment Date by the Director of the Group pursuant to Paragraph 22 of Schedule B1 to the Act.

1.2 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators may be exercised by any of the Joint Administrators.

1.3 This report sets out the circumstances leading up to the appointments of the Joint Administrators and the steps taken by them to date.

1.4 Please note that the Joint Administrators were also appointed over each of the English and Welsh Companies on 11 September 2014. The Joint Administrators Report and Statement of Proposals in respect of the English and Welsh companies is attached at Appendix 10. Two separate reports are required as the Administrations of the English and Welsh Companies are undertaken in accordance with English and Welsh insolvency legislation. The report is appended for transparency.

2. Background

2.1 Statutory information on the Group and a summary of its financial history is included at Appendix 1.

2.2 The Group operated four 4 star hotels in Scotland and England.

2.3 The Group operated under the 'Puma Hotels' name to June 2014 when it rebranded to 'The Hotel Collection'.

2.4 The trading addresses of each of the hotels are detailed at Appendix 1.

2.5 Further details regarding the background of the Group is enclosed at Appendix 7.

3. Events Leading up to the Administrations

3.1 For details of the events leading up to the Administrations, please refer to Appendix 7.

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

3.3 Subsequently, the Joint Administrators were appointed on the Appointment Date.

4. Purpose of the Administrations

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

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

4.2 In accordance with Paragraph 49(2) of Schedule B1 to the Act the Joint Administrators note the following:

- The first objective will not be achieved in respect of any of the companies within the Group as there are insufficient funds and assets available to enable any of the companies in the Group to be rescued as a going concern.

- The Joint Administrators are pursuing the second objective as it is likely that a better result for the creditors of all of the companies within the Group as a whole will be achieved than if they were wound up without first being in Administration for the following reasons:

  - The sale of the businesses and assets of the Group to the Purchaser ensured continuation of trading which will generate enhanced returns compared to a scenario in which they had been immediately wound up. This will allow for greater returns to the Secured Creditor and allow the Joint Administrators to pay a dividend to the non-preferential unsecured creditors, via the Prescribed Part.
  - Book debt collections will be enhanced by the continuity of service to customers provided by the Purchaser.
  - The Purchaser has agreed to honour bookings placed pre-Administration which will minimise non-preferential unsecured claims.
  - If the companies within the Group had been wound up, the value of their assets would have been significantly diminished.
  - If the companies within the Group had been wound up, the employees would have been made redundant resulting in an increase in both preferential and non-preferential unsecured claims.

- In any event, the third objective has been achieved for all companies within the Group as distributions have been paid to the secured creditor in each estate.

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

5. Progress of the Administrations to Date

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

Sale of Businesses and Assets

5.2 A sale of the businesses and certain assets of the Group completed on 11 September 2014 shortly following the appointments. The total sale consideration was £60,346.598.

5.3 As detailed at Appendix 7, the sale consideration was payable in full on completion and there was no deferred sale consideration. However, as the Group's Secured Creditor, LSREF, is also the secured lender to the Purchaser, no cash sums were paid to the Joint Administrators. Instead, there was a deemed payment of £60,346,598 from the Purchaser to the Joint Administrators on 11 September 2014 and corresponding deemed fixed and floating charge distributions to the Secured Creditor totalling £60,346,598 on 11 September 2014.

5.4 Please note that a sale of the businesses and assets of certain of the English and Welsh Companies also completed on 11 September 2014. The sale consideration was £195,980,228.

5.5 The total sale consideration for the Group was £256,326,826.

5.6 For a detailed breakdown of the assets realised in respect of each company within the Group and the consideration paid, please refer to Appendix 7.

5.7 Full details regarding the nature of the sale transaction are attached at Appendix 7. Please note that the Joint Administrators of the Parent Company were provided with a copy of a restructuring proposal addressed to the Secured Creditor from a shareholder of the Parent Company on 7 August 2014, however this was not deemed acceptable by the Secured Creditor and the Group's business was instead restructured via the pre-packaged sales described at Appendix 7.

Book Debts

5.8 The Group's book debts were excluded from the sale agreements.

5.9 As at the Appointment Date, certain companies within the Group had outstanding book debt ledgers, as set out below. The Purchaser has agreed to collect the book debts. The book debt collections for the period 11 September 2014 to 19 October 2014 are detailed below:

Company	Book Debt Ledger as at 11 September 2014	Collections for the Period 11 September 2013 to 19 October 2014	Outstanding Balance
Carlton Hotel (Edinburgh) Limited	1,060,623	(573,857)	486,766
Scottish Highland Hotels Limited	602,641	(235,830)	366,811
Stirling Highland Hotel Limited	458,639	(185,302)	273,337
	2,121,903	(994,988)	1,126,914

5.10 Of the £994,988 collected to date, it is anticipated that the net collections after booking agent commission will total £955,116.

5.11 A total of £613,406 to date has been received into the Joint Administrators' accounts, as noted at Appendix 2. A further £46,026 is cash in transit and £295,684 is currently unreconciled.

5.12 The balance of the debtor collections have not yet been transferred into the Joint Administrators' bank accounts, with the collection process subject to ongoing reconciliation and review. Further information regarding book debt collections will be provided in the Joint Administrators' next report.

Cash at Bank

5.13 As at the Appointment Date, the following cash balances were held:

Company	Cash at bank as at 11 September 2014 £
Carlton Hotel (Edinburgh) Limited	582,072
Scottish Highland Hotels Limited	611,964
Stirling Highland Hotel Limited	363,408

5.14 The Joint Administrators have received the above cash balances into the relevant Administration estate bank accounts.

Intercompany Book Debts

5.15 A table of intercompany book debts is attached at Appendix 9. This details all amounts due to the companies within the Group. The Joint Administrators have not yet completed a review of this information and cannot confirm its accuracy.

5.16 Since the Appointment Date, all of the entities that the balances are due from have been placed into Administration and these debts will rank as non-preferential unsecured claims in the relevant Administrations. Certain of these entities may pay dividends from the Prescribed Part to their unsecured creditors (which includes the Administration estates of the companies within the Group) however, pursuant to legal advice taken by the Joint Administrators, any dividends receivable from these intercompany book debts are subordinated to LSREF until LSREF has been paid in full. Any dividends to be paid to intercompany claims will therefore be paid directly to LSREF via the Security Trustee.

Cash in Transit

5.17 The Joint Administrators are currently liaising with the Purchaser to reconcile cash in transit with the Group's merchant service providers as at the Appointment Date. Further details will be provided in the Joint Administrators next progress report.

Deposit held by Royal Bank of Scotland Plc

5.18 A £120,000 deposit is held by Royal Bank of Scotland Plc in respect of the direct debit and credit card facilities operated by the Group. Following a full reconciliation of the accounts, the Joint Administrators will assess whether this deposit is recoverable. Only a proportion of this will be due to the Group as the remainder will be due to certain of the English and Welsh companies. Further details will be provided in the Joint Administrators' next progress report.

Investigations

5.19 The Joint Administrators' investigations into the Group's affairs are currently ongoing.

5.20 The Joint Administrators have a statutory obligation to file a separate report in respect of each individual company within the Group with DBIS regarding the conduct of the directors that held office in the three years prior to the Administrations. The reports must be filed within six months from the Appointment Date and the content of the reports are confidential.

5.21 The Joint Administrators also have a duty to investigate antecedent transactions which include:

- Transactions at an undervalue, Section 238 of the Act;
- Preferences, Section 239 of the Act; and
- Transactions to defraud creditors, Section 423 of the Act.

5.22 The Joint Administrators invite creditors to bring to their attention any information concerning the affairs of the Group, or any company within the Group, which they believe should be taken in to consideration during their investigations.

Receipts and Payments Accounts

5.23 Receipts and Payments accounts for all of the companies within the Group are provided at Appendix 2.

Joint Administrators' Agents and Solicitors

5.24 Details of the agents and solicitors engaged by the Joint Administrators to assist them with the affairs of the Group can be found at Appendix 4.

5.25 The Joint Administrators' choice of those instructed was based on their perception of the ability and experience to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Administrators' fee arrangement with them.

6. Statement of Affairs

6.1 In accordance with Paragraph 47 of Schedule B1 to the Act, the Joint Administrators have requested and received a SOA for each company within the Group from the Director. Please refer to Appendix 5 for the SOA of each company.

6.2 Some creditor amounts shown may differ from the actual amount owed. This does not affect their ability to claim a different amount.

7. Statement of Pre-Administration Costs

7.1 Pre-Administration costs are defined in the Rules as fees, charges and expenses incurred by the administrators or their firm, or another person qualified to act as an insolvency practitioner, before a company entered administration but with a view to it doing so.

7.2 The time costs incurred by Duff & Phelps in relation to advising the Group on its financial position and insolvency options and taking the necessary steps to place the Group into Administration total £557,490. The costs were incurred by reference to engagement letters detailed at paragraphs 7.3 and 7.4 below.

7.3 Duff & Phelps was engaged by LSREF in accordance with an engagement letter dated 16 May 2014 to provide restructuring advice and options analysis to LSREF. Duff & Phelps was paid £65,000 plus disbursements by LSREF for this advice. The time costs incurred for this advice totalled £152,534.

7.4 In addition, Duff & Phelps was engaged by the Group and certain of the English and Welsh Companies in accordance with an engagement letter dated 11 August 2014 to provide advice with regard to a debt restructuring. Duff & Phelps was paid £200,000 plus VAT and disbursements by Paramount Hotels Limited for this advice. The time costs incurred for this advice totalled £404,956.

7.5 A breakdown of the time costs of Duff & Phelps, as defined in Rule 2.25(1)(ka) of the Rules, is attached at Appendix 3.

7.6 The Joint Administrators' agents and solicitors have incurred expenses in relation to the sale of the Group's businesses and certain assets and assisting with the steps required to place the Group into Administration, as detailed at Appendix 4. To date, no payments have been made in respect of these costs.

7.7 The Joint Administrators confirm that payment of the unpaid pre-Administration costs, as an expense of the relevant Administration, is subject to approval under Rule 2.39c of the Rules, and is not part of the Proposals subject to approval under Paragraph 53 of Schedule B1 to the Act.

8. Joint Administrators' Costs

8.1 In accordance with Rule 2.25(I)(i) of the Rules, it is proposed that the basis upon which the Joint Administrators' remuneration should be fixed is by reference to the time properly given by them and their staff in attending to matters arising in the Administrations. Approval for this basis is to be sought from the Secured Creditor in respect of each company within the Group

8.2 The Joint Administrators' total time costs in respect of all of the companies within the Group for the Reporting Period total £42,656. These time costs are analysed individually for each company at Appendix 3.

8.3 To date, no remuneration has been drawn by the Joint Administrators.

8.4 Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work in respect of the Group, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at http://www.duffandphelps.com/uk-restructuring/creditor-guides. Should you require a copy, please contact this office.

9. Dividend Prospects / Prescribed Part

Secured Creditors

9.1 On 16 May 2014 LSREF acquired debts owed by the Group and certain of the English and Welsh Companies to Irish Bank Resolution Corporation Limited (In Special Liquidation) and took an assignment of all of the rights under the associated security which confers fixed and floating charges over all of the assets of the Group (. All of the companies within the Group (cross-guaranteed the LSREF debt. A list of all securities registered against the Group is enclosed at Appendix 7.

9.2 As at 29 August 2014, the Group's indebtedness to LSREF was £327,520,160, subject to accruing interest, charges and costs.

9.3 As noted at Appendix 7 and paragraph 5.3 above, deemed fixed and floating charge distributions totalling £60,346,598 were made to the Secured Creditor on 11 September 2014.

9.4 It is anticipated that there will be insufficient asset realisations to repay LSREF in full. Each company within the Group together with the English and Welsh Companies are unable to repay the full amount of the cross-guaranteed debt to LSREF in full.

Preferential Creditors

9.5 The Group has no employees and therefore no preferential claims are anticipated.

9.6 Please note the hotels' staff were all employed by one of the English and Welsh Companies, Paramount Hotels Services Limited, and were all transferred pursuant to TUPE to Hotel Collection Services Limited on 11 September 2014.

Prescribed Part

9.7 The Prescribed Part is calculated as a percentage of net property, as follows:-

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential unsecured creditors would be disproportionate to the benefits
Net property greater than £10,000:	50% up to £10,000 plus 20% thereafter to a maximum of £600,000.

9.8 LSREF's security is dated post 15 September 2003 and therefore the Prescribed Part applies.

9.9 It is anticipated that there will be sufficient asset realisations to enable distributions to be made from the Prescribed Part to the non-preferential unsecured creditors of all companies within the Group.

Non-Preferential Unsecured Creditors

9.10 It is anticipated that there will be insufficient asset realisations to enable a distribution to the non-preferential unsecured creditors in respect of all of the companies within the Group, other than from the Prescribed Part noted above.

9.11 Creditors of all companies within the Group should complete the appropriate statement of claim forms(s) at Appendix 6 and return same to the Joint Administrators. Creditors should only complete the statement of claim form(s) regarding the company / companies that their debt is due from.

10. EC Regulation

10.1 It is the Joint Administrators' opinion that the EC Regulation applies and these proceedings are main proceedings as defined in Article 3 of the EC Regulation.

10.2 The centre of main interest of the Group is in the United Kingdom. Therefore, the Administrations will be conducted according to Scottish insolvency legislation.

11. Creditors' Meetings

11.1 In accordance with Paragraph 52(1) of Schedule B1 to the Act, creditors' meetings will not be convened in respect of all of the companies within the Group as the Joint Administrators believe that all of the companies will have insufficient property to enable distributions to be made to non-preferential unsecured creditors, other than from the Prescribed Part as noted above.

11.2 However, the Joint Administrators shall summon initial creditors' meetings, if requested to by the creditors of the companies within the Group, whose debts amount to at least 10% of the total debts of the respective companies. If you wish to request a creditors' meeting please provide the request, together details of your claim, in writing to the Joint Administrators within 8 business days from the day these proposals are sent out.

11.3 Creditors are reminded that the costs of any meetings called shall be paid for by them and that deposits will be required for this purpose. These costs may be ordered to be paid as an expense of the relevant Administration if the meetings so resolve.

12. End of the Administrations

12.1 The options available to the Joint Administrators for the exit from the Administrations are as follows:

- Compulsory Liquidation
- Creditors' Voluntary Liquidation
- Company Voluntary Arrangement
- Return of control to the Director(s)
- Dissolution of Company

12.2 The Joint Administrators are continuing to review the Group's financial position and have not yet formed a view on the most likely exit route in respect of all of the companies within the Group.

12.3 However at present, the Joint Administrators are of the opinion that once all outstanding Administration matters have been satisfactorily completed, it is likely that the Joint Administrators will give notice to the Registrar of Companies that all of the companies within the Group be dissolved.

12.4 A further update in respect of the exit route of each company within the Group will be provided in the Joint Administrators' next progress report.

12.5 You will note from the proposals section below that the Joint Administrators have left the choice of exit routes from Administration open so that the appropriate strategies can be adopted, once the necessary information has been obtained and the Joint Administrators' own investigations have been completed.

13. Joint Administrators' Proposals

13.1 The Joint Administrators separately propose the following in respect of each individual company within the Group:

13.1.1 That the Joint Administrators continue the Administrations to deal with such outstanding matters in relation to the companies within the Group as the Joint Administrators consider necessary until such time as the Administrations cease to have effect.

13.1.2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administrations.

13.1.3 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 within the Group have no property which might permit a distribution to its creditors, at which stage the Administrations will cease.

13.1.4 In the event that the Joint Administrators do not follow 13.1.3 above, the Joint Administrators will, when it is anticipated that no better realisations will be made in the Administrations than would be available in a winding up, take the necessary steps to put the companies within the Group into either creditors' voluntary liquidation, company voluntary arrangement or into compulsory liquidation as deemed appropriate by the Joint Administrators. It is proposed that the Joint Administrators, currently Paul David Williams, Paul John Clark and David John Whitehouse of Duff & Phelps would act as Joint Liquidators should any of the companies within the Group be placed into creditors' voluntary liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 2.47(3)(s) of the Rules creditors may nominate a different person as the proposed

liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.

13.1.5 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Act, upon filing the end of the Administrations or their appointments otherwise ceasing.

13.1.6 That the Joint Administrators' remuneration, where no Creditors' Committees are established, be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administrations and that they be allowed to draw such remuneration as and when the funds permit without further recourse to the creditors.

13.1.7 That the Joint Administrators be authorised to draw Duff & Phelps' internal costs, being cost of business mileage in dealing with the Administrations ("Category 2 Disbursements").

13.2 Pursuant to Rule 2.25(3) of the Rules, the proposals in paragraphs 13.1.1 to 13.1.4 above shall be deemed to be approved by the creditors of each company within the Group, on the expiry of the period in which a meeting can be requisitioned by creditors in the manner described in paragraph 11.2 above, provided that no meeting has been so requisitioned.

13.3 The Joint Administrators will be seeking the following specific resolutions from the Secured Creditor in respect of each of the companies within the Group:

13.3.1 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Act, upon filing the end of the Administrations or their appointments otherwise ceasing.

13.3.2 That the Joint Administrators' remuneration, where no Creditors' Committees are established, be fixed by reference to the time properly incurred by them and their staff in attending matters during the Administrations and that they be allowed to draw such remuneration as and when funds permit without further recourse to the creditors.

13.3.3 That the Joint Administrators' statements of pre-Administration costs under Rule 2.25(1)(ka), where no Creditors' Committees are established, be approved for payment in accordance with Rule 2.39C.

13.3.4 That the Joint Administrators be authorised to draw Duff & Phelps' internal costs, being cost of business mileage in dealing with the Administrations ("Category 2 Disbursements").

14. Other Matters

14.1 If any creditor has any information concerning the Group's affairs that they would like to bring to the Joint Administrators' attention, then they would be pleased to hear from them.

14.2 If you require further information or assistance, please do not hesitate to contact Sebastien Johnson of this office.

Paul Williams
Joint Administrator

Enc.

The affairs, business and property of the Group are being managed by the Joint Administrators, Paul Williams, Paul Clark and David Whitehouse, who act as agents for the Group and without personal liability. They are licensed by the Insolvency Practitioners Association.

Appendix 1

Statutory Information

Statutory Information – Carlton Hotel (Edinburgh) Limited

Date of Incorporation	14 September 1970
Registered Number	SC047923
Court Reference in relation to Appointment:	The Court of Session, Parliament House, Parliament Square, Edinburgh
Company Director	Mr Declan McKelvey, 1 Melrose Court, Lincoln Road, Wilmslow, Cheshire, SK9 2HD
Company Secretary	None
Shareholder	IFT Nominees Limited
Trading Address	The Carlton Hotel, 19 North Bridge, Edinburgh, EH1 1SD
Registered Office	**Current:** c/o Maclay Murray & Spens LLP 1 George Square Glasgow G2 1AL **Former:** 15 Atholl Crescent Edinburgh EH3 8HA
Any Other Trading Names	The Carlton Hotel, Edinburgh

Statutory Information – Scottish Highland Hotels Limited

Date of Incorporation	18 April 1974
Registered Number	SC055493
Court Reference in relation to Appointment:	The Court of Session, Parliament House, Parliament Square, Edinburgh
Company Director	Mr Declan McKelvey, 1 Melrose Court, Lincoln Road, Wilmslow, Cheshire, SK9 2HD
Company Secretary	None
Shareholder	IFT Nominees Limited
Trading Addresses	• The Marine Hotel, 8 Crosbie Road, Troon, KA10 6HE • Redworth Hall Hotel, Redworth, Nr Darlington, Newton, Aycliffe, Co Durham, DL5 6NL
Registered Office	**Current:** c/o Maclay Murray & Spens LLP 1 George Square Glasgow G2 1AL **Former:** 15 Atholl Crescent Edinburgh EH3 8HA
Any Other Trading Names	• The Marine Hotel, Troon; and • Redworth Hall Hotel

Statutory Information – Stirling Highland Hotel Limited

Date of Incorporation	20 June 1988
Registered Number	SC111734
Court Reference in relation to Appointment:	The Court of Session, Parliament House, Parliament Square, Edinburgh
Company Director	Mr Declan McKelvey, 1 Melrose Court, Lincoln Road, Wilmslow, Cheshire, SK9 2HD
Company Secretary	None
Shareholder	IFT Nominees Limited
Trading Address	The Stirling Highland Hotel, Spittal Street, Stirling, FK8 1DU
Registered Office	**Current:** c/o Maclay Murray & Spens LLP 1 George Square Glasgow G2 1AL **Former:** 15 Atholl Crescent Edinburgh EH3 8HA
Any Other Trading Names	The Stirling Highland Hotel, Stirlingshire

Financial Information

	Carlton Hotel (Edinburgh) Limited		Scottish Highland Hotels Limited		Stirling Highland Hotel Limited	
	As at 31 December 2012 (Audited) ('000's) £	As at 31 December 2011 (Audited) ('000's) £	As at 31 December 2012 (Audited) ('000's) £	As at 31 December 2011 (Audited) ('000's) £	As at 31 December 2012 (Audited) ('000's) £	As at 31 December 2011 (Audited) ('000's) £
Fixed Assets						
Tangible Assets	27,605	27,500	15,584	15,500	5,521	5,500
Investments	-	-	-	-	-	-
	27,605	**27,500**	**15,584**	**15,500**	**5,521**	**5,500**
Current Assets						
Stock	26	-	64	-	25	-
Debtors	16,660	10,556	153,136	132,888	12,915	10,827
Cash/Overdraft	107	-	222	-	166	-
	16,793	**10,556**	**153,422**	**132,888**	**13,106**	**10,827**
Current Liabilities						
Creditors	(775)	(565)	(989)	(591)	(357)	(195)
Net Current Assets	**16,018**	**9,991**	**152,433**	**132,297**	**12,749**	**10,632**
Total Assets less Current Liabilities	**43,623**	**37,491**	**168,017**	**147,797**	**18,270**	**16,132**
Long Term Liabilities	(38,538)	(35,087)	(141,591)	(127,525)	(15,058)	(14,180)
Net Assets/(Liabilities)	**5,085**	**2,404**	**26,426**	**20,272**	**3,212**	**1,952**
Share Capital and Reserve						
Capital Redemption Account	-	-	1,015	1,015	-	-
Share Premium Account	-	-	6,365	6,365	-	-
Share Capital	100	100	1,461	1,461	500	500
Revaluation Reserve	8,774	8,774	7,370	7,370	-	-
Profit and Loss Account	(3,789)	(6,470)	10,215	4,061	2,712	1,452
Shareholders' Funds/(Deficit)	**5,085**	**2,404**	**26,426**	**20,272**	**3,212**	**1,952**

Appendix 2

Receipts and Payments Account

Receipts and Payments Account

Carlton Hotel (Edinburgh) Limited
(In Administration)

For the period 11 September 2014 to 22 October 2014

Statement of Affairs Estimated to Realise Value		Fixed Charge	Floating Charge	Total
£	**Receipts**	£	£	£
37,800,000.00	Freehold Land & Property	37,800,000.00	-	37,800,000.00
463,261.00	Plant & Machinery	-	343,000.00	343,000.00
33,412.00	Stock	-	33,412.00	33,412.00
-	Cash Float	-	4,480.00	4,480.00
1.00	Business Rights	-	1.00	1.00
1.00	Customer Contracts	-	1.00	1.00
1.00	Transferred Records	-	1.00	1.00
1.00	Residual Assets	-	1.00	1.00
366,127.00	Cash at Bank	-	582,072.42	582,072.42
-	Unallocated Cash	-	86,595.04	86,595.04
1,008,808.00	Book Debts	-	319,962.64	319,962.64
39,671,612.00		**37,800,000.00**	**1,369,526.10**	**39,169,526.10**
	Payments			
	Fixed Charge Creditor	37,800,000.00	-	37,800,000.00
	Floating Charge Creditor	-	380,896.00	380,896.00
	Statutory Advertising	-	56.40	56.40
	Stationary and Postage	-	255.84	255.84
		37,800,000.00	**381,208.24**	**38,181,208.24**
	Balance of the Estate	**0.00**	**988,317.86**	**988,317.86**

Made up as follows:	
VAT Receivable	62.45
Floating/main current account	988,255.41
	988,317.86

Receipts and Payments Account

Scottish Highland Hotels Limited
(In Administration)

For the period 11 September 2014 to 22 October 2014

Statement of Affairs Estimated to Realise Value		Fixed Charge	Floating Charge	Total
£	**Receipts**	£	£	£
14,200,000.00	Freehold Land & Property	14,200,000.00	-	14,200,000.00
557,000.00	Plant & Machinery	-	557,000.00	557,000.00
63,676.00	Stock	-	63,676.00	63,676.00
-	Cash Float	-	6,380.00	6,380.00
2.00	Business Rights	-	2.00	2.00
2.00	Customer Contracts	-	2.00	2.00
2.00	Transferred Records	-	2.00	2.00
2.00	Residual Assets	-	2.00	2.00
382,718.00	Cash at Bank	-	611,963.50	611,963.50
-	Unallocated Cash	-	121,389.72	121,389.72
597,678.00	Book Debts	-	139,934.20	139,934.20
15,801,080.00		**14,200,000.00**	**1,500,351.42**	**15,700,351.42**
	Payments			
	Fixed Charge Creditor	14,200,000.00	-	14,200,000.00
	Floating Charge Creditor	-	627,064.00	627,064.00
	Statutory Advertising	-	56.40	56.40
	Stationary and Postage	-	411.83	411.83
		14,200,000.00	**627,532.23**	**14,827,532.23**
	Balance of the Estate	**0.00**	**872,819.19**	**872,819.19**

Made up as follows:	
VAT Receivable	93.65
Floating/main current account	872,725.54
	872,819.19

Receipts and Payments Account

Stirling Highland Hotel Limited
(In Administration)

For the period 11 September 2014 to 22 October 2014

Statement of Affairs Estimated to Realise Value		Fixed Charge	Floating Charge	Total
£	**Receipts**	£	£	£
7,100,000.00	Freehold Land & Property	7,100,000.00	-	7,100,000.00
-	Intellectual Property	1.00	-	1.00
218,000.00	Plant & Machinery	-	218,000.00	218,000.00
18,432.00	Stock	-	18,432.00	18,432.00
-	Cash Float	-	2,200.00	2,200.00
1.00	Business Rights	-	1.00	1.00
1.00	Customer Contracts	-	1.00	1.00
1.00	Transferred Records	-	1.00	1.00
1.00	Residual Assets	-	1.00	1.00
416,839.00	Cash at Bank	-	363,408.48	363,408.48
-	Unallocated Cash	-	156,480.55	156,480.55
416,182.00	Book Debts	-	153,509.20	153,509.20
8,169,457.00		**7,100,001.00**	**912,034.23**	**8,012,035.23**
	Payments			
	Fixed Charge Creditor	7,100,001.00	-	7,100,001.00
	Floating Charge Creditor	-	238,636.00	238,636.00
	Statutory Advertising	-	56.40	56.40
	Stationary and Postage	-	196.59	196.59
		7,100,001.00	**238,888.99**	**7,338,889.99**
	Balance of the Estate	**0.00**	**673,145.24**	**673,145.24**
	Made up as follows:			
	VAT Receivable			50.60
	Floating/main current account			673,094.64
				673,145.24

Appendix 3

Analysis of Time Charged and Expenses Incurred

Carlton Hotel (Edinburgh) Limited (In Administration)

For the Period Prior to the Administration Date

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Strategy Planning and Control	0.00	0.00	0.70	1.60	0.00	2.30	507.00	220.43
Dealing with Notice of Intention to Appoint	0.00	0.00	0.65	0.00	0.00	0.65	221.00	340.00
IPS Set Up and Maintenance	0.00	0.00	0.00	0.10	0.00	0.10	19.00	190.00
Total Hours:	**0.00**	**0.00**	**1.35**	**1.70**	**0.00**	**3.05**		**244.92**
Total Fees Claimed:	**0.00**	**0.00**	**459.00**	**288.00**	**0.00**		**747.00**	

Category 1 Disbursements:

There are no Category 1 Disbursements

Category 2 Disbursements:

There are no Category 2 Disbursements

Scottish Highland Hotels Limited (In Administration)

For the Period Prior to the Appointment Date

Classification of Work Function	Partner	Manager	Hours Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
Administration and Planning								
Strategy Planning and Control	0.00	0.00	1.00	1.40	0.00	2.40	571.00	237.92
Dealing with Notice of Intention to Appoint	0.00	0.00	1.05	0.00	0.00	1.05	357.00	340.00
IPS Setup and Maintenance	0.00	0.00	0.00	0.10	0.00	0.10	19.00	190.00
Total Hours:	**0.00**	**0.00**	**2.05**	**1.50**	**0.00**	**3.55**		**266.76**
Total Fees Claimed:	**0.00**	**0.00**	**697.00**	**250.00**	**0.00**		**947.00**	

Category 1 Disbursements:

There are no Category 1 Disbursements

Category 2 Disbursements:

There are no Category 2 Disbursements

Stirling Highland Hotel Limited (In Administration)

For the Period Prior to the Appointment Date

Classification of Work Function	Partner	Manager	Hours Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
Administration and Planning								
Strategy Planning and Control	0.00	0.00	0.40	1.40	0.00	1.80	367.00	203.89
Dealing with Notice of Intention to Appoint	0.00	0.00	0.25	0.00	0.00	0.25	85.00	340.00
IPS Set Up and Maintenance	0.00	0.00	0.00	0.10	0.00	0.10	19.00	190.00
Total Hours:	**0.00**	**0.00**	**0.65**	**1.50**	**0.00**	**2.15**		**219.07**
Total Fees Claimed:	**0.00**	**0.00**	**221.00**	**250.00**	**0.00**		**471.00**	

Category 1 Disbursements:

There are no Category 1 Disbursements

Category 2 Disbursements:

There are no Category 2 Disbursements

Carlton Hotel (Edinburgh) Limited (In Administration)

Analysis of the Joint Administrators' time costs for the period 11 September 2014 to 17 October 2014

Classification of Work Function	Partner	Manager	Hours Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
Administration and Planning								
Statutory Matters (Meetings & Reports & Notices)	3.10	1.00	6.25	7.40	0.00	17.75	5,724.00	322.48
Strategy Planning and Control	2.10	0.80	3.10	0.90	0.00	6.90	2,806.00	406.67
Case Review and Case Diary Management	0.70	0.05	2.65	1.10	0.00	4.50	1,498.00	332.89
Cashiering and Accounting	0.00	0.25	2.10	3.50	0.00	5.85	1,384.00	236.58
IPS Set Up and Maintenance	0.00	0.00	0.65	1.85	0.00	2.50	513.00	205.20
Statement of Affairs	0.00	0.00	0.30	1.65	0.00	1.95	391.00	200.51
Dealings with Directors and Management	0.30	0.00	0.10	0.25	0.00	0.65	251.00	386.15
Tax Compliance/Planning	0.00	0.20	0.10	0.40	0.00	0.70	181.50	259.29
Insurance	0.00	0.00	0.20	0.00	0.00	0.20	68.00	340.00
Creditors								
Communications with Creditors/Employees	0.00	1.20	0.50	2.35	0.00	4.05	1,122.50	277.16
Secured Creditors	0.00	0.00	0.70	0.45	0.00	1.15	302.50	263.04
Investigations								
CDDA & Reports & Communication	0.00	0.00	0.00	0.25	0.00	0.25	47.50	190.00
Realisation of Assets								
Book Debts	0.00	0.00	0.25	0.00	0.00	0.25	85.00	340.00
Other Tangible Assets	0.00	0.00	0.10	0.05	0.00	0.15	40.00	266.67
Freehold and Leasehold Property	0.00	0.00	0.00	0.10	0.00	0.10	19.00	190.00
Total Hours:	**6.20**	**3.50**	**17.00**	**20.25**	**0.00**	**46.95**		**307.41**
Total Fees Claimed:	**3,720.00**	**1,680.00**	**5,760.00**	**3,273.00**	**0.00**		**14,433.00**	

Category 1 Disbursements:

There are no Category 1 Disbursements

Category 2 Disbursements:

There are no Category 2 Disbursements

Scottish Highland Hotels Limited (In Administration)

Analysis of the Joint Administrators' time costs for the period 11 September 2014 to 17 October 2014

Classification of Work Function	Partner	Manager	Hours Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
Administration and Planning								
Statutory Matters (Meetings & Reports & Notices)	3.10	0.80	6.05	6.40	0.00	16.35	5,412.00	331.01
Strategy Planning and Control	2.00	0.80	3.10	0.80	0.00	6.70	2,734.00	408.06
Cashiering and Accounting	0.00	0.15	2.30	4.10	0.00	6.55	1,518.00	231.76
Case Review and Case Diary Management	0.60	0.05	2.80	1.30	0.00	4.75	1,513.00	318.53
Statement of Affairs	0.00	0.00	0.30	1.70	0.00	2.00	414.50	207.25
IPS Set Up and Maintenance	0.00	0.00	0.65	0.90	0.00	1.55	357.00	230.32
Dealings with Directors and Management	0.30	0.00	0.10	0.25	0.00	0.65	251.00	386.15
Tax Compliance/Planning	0.00	0.20	0.10	0.70	0.00	1.00	231.50	231.50
Insurance	0.00	0.00	0.20	0.00	0.00	0.20	68.00	340.00
Creditors								
Communications with Creditors/Employees	0.00	1.20	0.50	2.25	0.00	3.95	1,096.50	277.59
Secured Creditors	0.00	0.00	0.70	0.45	0.00	1.15	302.50	263.04
Non Pref Creditors/Employee Claims Handling	0.00	0.00	0.00	0.15	0.00	0.15	18.00	120.00
Investigations								
CDDA & Reports & Communications	0.00	0.00	0.00	0.25	0.00	0.25	47.50	190.00
Realisation of Assets								
Book Debts	0.00	0.00	0.25	0.00	0.00	0.25	85.00	340.00
Other Tangible Assets	0.00	0.00	0.10	0.05	0.00	0.15	40.00	266.67
Freehold and Leasehold Property	0.00	0.00	0.00	0.10	0.00	0.10	19.00	190.00
Total Hours:	**6.00**	**3.20**	**17.15**	**19.40**	**0.00**	**45.75**		**308.36**
Total Fees Claimed:	**3,600.00**	**1,536.00**	**5,811.00**	**3,160.50**	**0.00**		**14,107.50**	

Category 1 Disbursements:

There are no Category 1 Disbursements

Category 2 Disbursements:

There are no Category 2 Disbursements

Stirling Highland Hotel Limited (In Administration)

Analysis of the Joint Administrators' time costs for the period 11 September 2014 to 17 October 2014

Classification of Work Function	Partner	Manager	Hours Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
Administration and Planning								
Statutory Matters (Meetings & Reports & Notices)	3.10	0.80	5.85	6.05	0.00	15.80	5,302.00	335.57
Strategy Planning and Control	2.10	0.80	3.10	0.80	0.00	6.80	2,794.00	410.88
Cashiering and Accounting	0.00	0.15	2.05	3.60	0.00	5.80	1,338.00	230.69
Case Review and Case Diary Management	0.20	0.05	2.65	1.30	0.00	4.20	1,222.00	290.95
Statement of Affairs	0.00	0.00	0.30	1.70	0.00	2.00	414.50	207.25
IPS Set Up and Maintenance	0.00	0.00	0.65	0.90	0.00	1.55	357.00	230.32
Dealings with Directors and Management	0.30	0.00	0.10	0.35	0.00	0.75	270.00	360.00
Tax Compliance/Planning	0.00	0.20	0.10	0.70	0.00	1.00	231.50	231.50
Insurance	0.00	0.00	0.20	0.00	0.00	0.20	68.00	340.00
Creditors								
Communications with Creditors/Employees	0.00	1.20	0.20	2.05	0.00	3.45	1,002.00	290.43
Secured Creditors	0.00	0.00	0.70	0.45	0.00	1.15	302.50	263.04
Non Pref Creditos/Employee Claims Handling	0.00	0.10	0.00	0.30	0.00	0.40	84.00	210.00
Realisation of Assets								
Other Tangible Assets	0.00	0.00	0.10	0.05	0.00	0.15	40.00	266.67
Other Intangible Assets	0.00	0.10	0.00	0.00	0.00	0.10	48.00	480.00
Book Debts	0.00	0.00	0.25	0.00	0.00	0.25	85.00	340.00
Freehold and Leasehold Property	0.00	0.40	0.15	1.70	0.00	2.25	557.00	247.56
Total Hours:	**5.70**	**3.80**	**16.40**	**19.95**	**0.00**	**45.85**		**307.86**
Total Fees Claimed:	**3,420.00**	**1,815.00**	**5,556.00**	**3,324.50**	**0.00**		**14,115.50**	

Category 1 Disbursements:

There are no Category 1 Disbursements

Category 2 Disbursements:

There are no Category 2 Disbursements

Appendix 4

Joint Administrators' Statement of Pre- Administration Costs

	Hilco Appraisal Europe Valuation Agents– Valuation of the Group's chattel assets and motor vehicles	Knight Frank LLP Property agents – Valuation of the Group's property assets	Addleshaw Goddard LLP Solicitors – Preparation and review of the sale of business agreements, assisting with placing the Group into Administration and other ad hoc legal matters	Smithfield Consultants Limited Public relations agents – Provision of PR advice	Duff & Phelps Ltd. Restructuring Advisors - Debt restructuring advice
Carlton Hotel (Edinburgh) Limited	£500.00	£1,429.00	£14,762.00	£542.00	£9,760.00
Scottish Highland Hotels Limited	£1,000.00	£2,858.00	£29,524.00	£1,084.00	£19,520.00
Stirling Highland Hotel Limited	£500.00	£1,429.00	£14,762.00	£542.00	£9,760.00
Total Costs Incurred	**£2,000.00**	**£5,716.00**	**£59,048.00**	**£2,168.00**	**£39,040.00**

Appendix 5

Statement of Affairs

Rule 2.21 | The Insolvency Act 1986 | Form 2.13B (Scot)

Statement of Affairs

Pursuant to paragraph 47 of Schedule B1 to the Insolvency Act 1986 and Rule 2.21(1) of the Insolvency (Scotland) Rules 1986

Insert name of the company

Statement as to the affairs of Carlton Hotel (Edinburgh) Limited

as at the 11 day of September 2014, the date that the company entered administration.

Statutory Declaration

I solemnly and sincerely declare that the information provided in this statement and the lists A to G annexed and signed as relative hereto is, to the best of my knowledge and belief, true and complete,

AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 32 London Bridge Street, London SE1 9SG, England.

Signed _____ (Declan Mc Kelvey)

This 23rd day of October 2014.

Before me _____
Notary Public
London, England
(Javier Pérez-Manglano)

A Notary Public or Justice of the Peace or Solicitor

Vanner Perez Notaries
8 St. Thomas Street
London SE1 9RS (England)

Carlton Hotel (Edinburgh) Limited

STATEMENT as to the affairs of the Company on the 11 September 2014

		Estimated Realisable Values £
ASSETS		
Assets not specifically secured (as per List "A")		1,751,351
Assets specifically secured (as per List "B")	£	
Estimated realisable value	37,800,000	
Less: Amount due to secured creditors	- 327,520,160	
Estimated Surplus	- 289,720,160	
Estimated Total Assets available for preferential creditors, holders of floating charges and unsecured creditors		1,751,351
LIABILITIES		
Preferential creditors (as per List "C")		-
Estimated balance of assets available for holders of floating charges and unsecured creditors		1,751,351
Estimated prescribed part of net property where applicable (to carry forward)		- 353,270
Holders of floating charges (as per List "D")		- 289,720,160
Estimated surplus/deficiency as regards holders of floating charges		- 288,322,079
Estimated prescribed part of net property where applicable (brought down)		353,270
Unsecured Creditors	£	
Trade accounts (as per List "E")	- 76,246	
Bills payable (as per List "F")		
Contingent or other liabilities (as per List "G")	- 51,435,426	
Total unsecured creditors (excluding any shortfall to floating charge holders)		- 51,511,671
Estimated Surplus/Deficiency as regards creditors unsecured creditors (excluding any shortfall to floating charge holders)		- 49,760,320
Estimated deficiency after floating charge where applicable (brought down)		- 339,480,480
Estimated Surplus/Deficiency as regards creditors		
Issued and Called-up Capital		- 100,000
Estimated Surplus/Deficiency as regards members		- 339,580,480

These figures must be read subject to the following :-

* delete as appropriate

*[(a) There is no unpaid capital liable to be called up]

The estimates are subject to the expenses of the liquidation and to any surplus or deficiency on trading pending realisation of the Assets

23/10/14

Statement of affairs LIST "A"
Assets not specifically secured

Particulars of assets	Book Value £	Estimated to produce £
Balance at bank	366,127	366,127
Marketable securities (as per Schedule I)		
Bills receivable (as per Schedule II)		
Trade debtors (as per Schedule III)	1,120,898	1,008,808
Loans and advances (as per Schedule IV)	23,265,119	-
Unpaid calss (as per Schedule V)		
Stock in trade	33,412	33,412
Work in progress		
Heritable property		
Leasehold property		
Plant, machinery and vehicles	463,261	343,000
Furniture and fittings , etc		
Patents,trade marks , etc		4
Investments other than marketable securities		
Other property		
Total	25,248,817	1,751,351

Signed

Date 23/10/14

SCHEDULE I TO LIST "A"
Statement of affairs
Marketable Securities

No	Name of organisation in which securities are held	Details of securities held	Book value £	Estimated to produce £

Signed

Date 23/10/14

SCHEDULE II TO LIST "A"
Statement of affairs
Bills of exchange, promissory notes, etc. available as assets

No	Name and adress of acceptor of bill or note	Amount of bill or note £	Date when due	Estimated to produce £	Particulars of any propery held as security for payment of bill or note

Signed

Date

23/10/14

SCHEDULE III TO LIST "A"
Statement of affairs
Trade debtors

No	Name and adress of debtor	Particulars of any securities held for debt	Book Value £	Estimated to produce £
1	Abbey Tours Scotland; Dublin 2		420	378
2	Access Bookings; Staffordshire		4,753	4,278
3	Acorne Plc; HIGH WYCOMBE		8,057	7,252
4	Activity Superstore		1,510	1,359
5	B&V Water Treatment; DAVENTRY		300	270
6	BAE Systems (Operations) Ltd; BLACKBURN		630	567
7	Behringer Touristik		17,841	16,057
8	Black Michelle; JOHNSTONE		139	125
9	BOOK A SPA; WINDSOR		2,064	1,857
10	Brendan Vacations Holdings Ltd; Channel Island		7,743	6,969
11	Business Services International; EDINBURGH		1,397	1,257
12	Buy As You View Ltd; PONTYCLUN		125	113
13	Buyagift.com		4,751	4,276
14	C/O Calder; Leeds		6,995	6,295
15	C/O Capita T & E; Taunton		30,498	27,448
16	C/O CTI Hotels; Bristol		7,244	6,520
17	C/O HRG; FARNBOROUGH		4,364	3,928
18	C/O Inntel Ltd; COLCHESTER		21,347	19,212
19	c/o Key Reservations (Hotels) Ltd WPD; GLASGOW		2,195	1,976
20	C/o Portman Travel Ltd; Motherwell		2,488	2,239
21	Calder Conferences; LEEDS		168	151
22	Carlson Wagonlit Travel; BIRMINGHAM		150	135
23	Central Law Training (Scotland) Ltd; GLASGOW		1,459	1,313
24	CHR Travel Ltd; Essex		368	331
25	Ciba Speciality Chemicals; Manchester		285	257
26	Clevents; BIRMINGHAM		3,150	2,835
27	CLASSIC BRITAIN; STRATHAVEN		15,168	13,651
28	Contendam; LONDON		708	637
29	De Vere Solutions Staverton Park; DAVENTRY		2,084	1,876
30	Deckor UK Ltd; London		350	315
31	Diamond Resorts International; Lancaster		16,775	15,098
32	EASYBREAKS; EDINBURGH		4,344	3,910
33	Edinburgh University Rugby		412	371
34	Education Scotland; GLASGOW		180	162
35	Europe Incoming Scotland; Linlithgow		7,795	7,016
36	European Travel Services; LONDON		2,096	1,886
37	Eurowelcome Scotland		3,062	2,756
38	Exclusively Hotels		11,265	10,138
39	Expedia		87,956	79,160
40	Experience Scotland; PENICUIK		3,149	2,834
41	Expotel MASTER; STOCKPORT		39,160	35,244
42	Flight Centre; LONDON		2,522	2,270
43	Fusion Meetings & Events; BEDFORD		765	689
44	G American Express		16,341	14,707
45	GFI MAX; DUNDEE		865	779
46	Grand Circle; MA		132,957	119,662
47	Groupon; LONDON		5,736	5,162
48	Grunenthal Ltd; Stockenchurch		228	205
49	Gullivers Travel; SOUTHAMPTON		2,817	2,535
50	Holocaust Education Trust; London		3,310	2,979
51	Hospitality Line; KENT		533	479
52	Hotel Connexions		21	19
53	Hotel Connexions; DUNBLANE		6,144	5,529
54	Hotel Direct		2,305	2,075
55	Hotelbeds; BARCELONA		18,576	16,719
56	Hotels & More Ltd; HARROW		168	151
57	Hotels4U		619	558
58	HOTELSHOP UK Ltd; Droitwich Spa		179	161
59	Impact Spa. Leisure & Fitness; DUNSTABLE		228	205
60	Information Commissioners Office; WILMSLOW		5,242	4,718
61	Institute of Actuaries; OXFORD		2,645	2,380
62	ITISON; Glasgow		9,983	8,985
63	JAC Travel Ltd; LONDON		215,224	193,702
64	Jurys Inn; EDINBURGH		896	806
65	King James Thistle; Edinburgh		371	334
66	Kleemann Irland Reisen Ltd		35,453	31,907
67	Kudos Incentive & Conference Design Ltd; EDINBURGH		6,842	6,158
68	Lastminute.com		2,914	2,623

23/10/14

69	Laterooms		135	122
70	Living Social Ltd		1,885	1,696
71	Miki Travel Ltd; LONDON		32,938	29,644
72	Mitsubishi Electric Europe; HATFIELD		1,049	944
73	Munro's Travel Group; ABERDEEN		605	545
74	MW Tours MASTER		3,688	3,319
75	My City Deals		3,566	3,209
76	NHS National Services Scotland; EDINBURGH		1,630	1,467
77	NHS National Services Scotland; EDINBURGH		168	151
78	NHS Quality Improvement Project; GLASGOW		105	95
79	NHS; EDINBURGH		662	596
80	Norman Allen Group Travel Ltd; HEREFORD		4,059	3,653
81	Novotel Edinburgh		436	392
82	Parliament House Hotel; EDINBURGH		275	248
83	Plan B; Baleares		255	230
84	Red Letter Days Limited; LONDON		5,226	4,703
85	Redfern Travel		385	347
86	Redworth Hall Hotel		1,232	1,109
87	Rese-Konsulterna MASTER		46,530	41,877
88	RoomGenie; GLASGOW		1,836	1,652
89	Royal College of Nursing NO 109026; LONDON		4,870	4,383
90	Royal Terrace Hotel; EDINBURGH		491	442
91	Scottish Conservatives; EDINBURGH		4,214	3,792
92	Scottish Enterprise; GLASGOW		687	618
93	Scottish Government; EDINBURGH		4,741	4,267
94	Scottish Solicitors Discipline Tribunal; Cuper		896	806
95	SECRET ESCAPES		1,134	1,021
96	Service Reisen Giessen; Germany		2,023	1,821
97	Service-Reisen; GIESSEN		4,561	4,105
98	Shearings Holidays Ltd		948	853
99	Shore Capital Stockbrokers Ltd; LONDON		590	531
100	Spa & Hotel Breaks; Matlock		2,145	1,931
101	Spa Seekers		767	690
102	SPABREAKS.COM		16,665	14,998
103	Space UK		25	23
104	Stita Tours & Pathfinders; CHELTENHAM		2,446	2,201
105	Strathclyde Police; GLASGOW		84	76
106	SUPERBREAKS		44,193	39,773
107	TESCO		4,020	3,618
108	Tetley Michael		77	69
109	The Hotel Collection Central Support		175	157
110	TLC Marketing Uk Ltd; LONDON		446	401
111	Totalstay Limited - Master; Romania		2,173	1,956
112	Tourama Limited; NASSAU		37,534	33,781
113	Tourico		256	230
114	Travco; LONDON		5,761	5,184
115	Travel Corporation Asia Ltd		3,475	3,128
116	Travel Scotworld; Palma		9,729	8,756
117	Travelzoo (Europe) Ltd; LONDON		1,703	1,532
118	Trust Reservations; WINDSOR		168	151
119	University of Edinburgh; EDINBURGH		966	869
120	University of Edinburgh; EDINBURGH		84	76
121	Venue Options Ltd; Sheffield		198	178
122	Viagens Abreu S.A Viagens		1,046	941
123	Virgin Atlantic Airways Ltd; CRAWLEY		149	134
124	Wahanda; LONDON		2,033	1,829
125	Walk Out A/c		2,115	1,903
126	Your Golf Travel.com; LONDON		1,596	1,436
127	Guest Ledger		50,226	45,203
	TOTAL		1,120,898	1,008,808

Signed Date 23/10/14

SCHEDULE IV TO LIST "A"
Statement of affairs
Loans and advances

No	Name and adress of debtor	Particulars of any securities held for debt	Book Value £	Estimated to produce £
1	Group companies		23,265,119	-

Signed

Date 23/10/14

SCHEDULE V TO LIST "A"
Statement of affairs
Loans and advances

No	No in share register	Name and adress of shareholder	No of shares held	Amount of call per share unpaid £	Total amount due £	Estimated to produce £

Signed

Date

23/10/14

LIST "B" (consisting of 1 pages)
Statement of affairs
Assets specifically secured and creditors fully or partly secured (see note below) (not including debenture holders secured by a floating charge)

No	Particulars of assets specifically secured and nature of security	Date when security granted	Name of creditor	Address and occupation
1	Hotel Property		LSREF	

Note: For this purpose treat as a creditor but identify seperately

(a) an owner of goods in the company's possession under a hire-purchase agreement or an agreement for the hire of goods for more than 3 months or
(b) a seller of goods to the company claiming a retention of title or a seller under a conditional sale agreement

23/10/14

Carlton Hotel (Edinburgh) Limited

LIST "C" (consisting of pages)
Statement of affairs
Preferential creditors for salaries,wages and otherwise

No	Name of creditor	Address	Nature of claim	Total amount of claim	Amount ranking as preferential	Balance not preferential carried to List "E"

Signed

Date 23/10/14

LIST "D"
Statement of affairs
List of holders of debentures secured by a floating charge

No	Name and address of Holder	Amount £	Description of assets over which security extends
1	LSREF	289,720,160	All asset debenture

Signed Date 23/10/14

Carlton Hotel (Edinburgh) Limited

LIST "E" (consisting of pages)
Statement of affairs
Unsecured creditors - trade accounts

No	Name and address of creditor				Amount of the debt £
1		3663 Cr Control, PO Box 107, Black Moss	Scarisbrick, Nr Ormskirk	L40 9RW	10,355
2	Access Bookings	*Highlands, 53A Tamworth Road,*	*Lichfield, Staffordshire*	WS13 8HG	118
3	Aldermore Invoice Finance	75 Fetter Point company	Edinburgh	EH16 4BB	83
4	Allday Time Systems Limited	Lynchford House, Lynchford Lane	Farnborough,	GU14 6JD	63
5	Alliance Disposables	Alliance House, Marshfield Bank	Crewe,	CW2 8UY	1,825
6	Ambius	CASTLEGATE WAY	DUDLEY, WEST MIDLANDS	DY1 4TA	1,277
7	AMERICAN EXPRESS TRS CO INC	PEGASUS SOLUTIONS, INC	PO BOX 660537, DALLAS	75360-0537	71
8	B O C Gases	Cust Serv Centre, PO Box 12 Priest	Westley, Manchester	M28 2UT	525
9	BARCLAYCARD MERCHANT SERVICES	DEPT CSD	NORTHAMPTON	NN4 7SG	3,903
10	BERENDSEN UK LTD	PO BOx 6114	Basingstoke	RG21 8XP	362
11	Blanks Pears	10A Merry Place, Edinburgh		0 EH3 6JT	120
12	Booking.com	Compass House, 80 Newmarket Road	Cambridge	CB5 8DZ	31
13	Brodmad Foods	7 Moorfield Industrial Park	Kilmarnock	KA3 6PE	298
14	Browning UK Ltd	Albion House, Rawdon Park	Leeds	LS19 7XX	420
15	Bt Telephone Payment Centre	(Tyne), Newcastle-Upon-Tyne		0 NE88 6XA	22
16	Business Stream	PO Box 17321	Edinburgh	EH12 1GT	5,566
17	Campbell Brothers Limited	Sherwood Industrial Estate	Bonnyrigg,	EH19 3LW	326
18	Campbell Brothers Ltd	Sherwood Industrial Estate,	Bonnyrigg	EH19 3LW	2,094
19	Campbells Prime Meat Limited	The Heatherfield,By Linlithgow	Lothalins	EH49 6LQ	537
20	Carlsberg - Tetley Brewing Ltd	Ground Floor, Bankside House	Headingley Office Park	LS6 1PF	675
21	CARRIE HARLOW	35 ROTHESAY PLACE	Musselburgh	EH21 7BX	45
22	Casbel Travel Ltd	39/40 Commercial Street	EDINBURGH	EH6 6JD	1,092
23	Central Radio Taxis Ltd	8 St Peter's Building	EDINBURGH	EH3 9PG	147
24	Clean Rite 2000 Ltd	4 Saxilby Park, Mossmorry Bus Pk	Tranent, East Lothian	EH33 1RY	624
25	Close Invoice Finance Ltd	*REF: 04342, P O BOX 3115*	*Hove*	BN52 9EH	444
26	Combined Power (South) Ltd	East G House, Daniel Adamson Rd	Salford, Manchester	M5 2DT	3,270
27	Connect EzeSystems Ltd	15 Nelgarth Place,	Dunfermline	KY12 0XU	150
28	Coral Breeze Ltd	53 Osborne Bank	Edinburgh	EH13 9EL	654
29	Declece UK Ltd	Unit 5, Brunswick Park Road		0 N13 1JL	1,571
30	Denby Foods	Denby House, 648 Ashton Old Road	Openshaw, Manchester	M11 2WD	447
31	Direct Seafoods Scotland Ltd	2 Liggat Sykc Place, East Mains Ind	Broxburn	EH52 5NA	1,722
32	Easybreaks T/A Heath Bridge Trust	North British Trust Group, 1 Queen	Edinburgh	EH6 6BL	479
33	Ecolab Ltd	Citadel House, St Nicholas Way	Epsom,	SM1 1JB	63
34	Environmental Waste Controls Plc	Laurel House, Knowsley Business Par	Prescot, Merseyside	L34 9JA	7,210
35	Fishers Services Cupar Ltd	Riggs Place,	Cupar Fife	KY15 5JA	14,089
36	Fenwick Limited	Mosley Building, Derby Road	Loughborough	LE11 5AH	103
37	Gerrard International Ltd	NNC House, 47 Theobald Street	Borehamwood	WD6 4RT	14
38	GILCHRIST & SOAMES UK LTD	UNIT 1 JOHN WESLEY RD	WERRINGTON, PETERBOROUGH	PE4 6ZL	3,047
39	H.R.B Foods Limited	44-54 Stewarts Road,	London	SW8 4DF	1,249
40	Hilton Edinburgh Grosvenor	Grosvenor Street	Edinburgh	EH12 5EZ	129
41	Hotel Bentwick	6 Craigleith Road, Edinburgh		0 EH4 1DF	163
42	Hotel Edinburgh Ion	43 Jeffrey Street,	Edinburgh	EH1 1DG	378
43	Kitchenforce Scotland Ltd.	56 South Street	Bo'ness	EH51 9HA	260
44	Liberata SLU	Carl Sen Fangos Nº 100, Torre A3 planta	Palma de Mallorca	07071	471
45	Lockhart Catering Equipment	Lockhart House, Bennet Rd	Theale, Reading	RG7 4XE	16
46	Mico Lighting Ltd,	Traydale Lane, Pudsey	Pudsey	LS28 9LD	63
47	MJ Barwinnie & Co Ltd	Unit 1 Parrons Way	Luton	LU4 9PS	521
48	*Mercure Prestonfield*	*Coventry Off, 10 Harold Bus Pk*	Golden Acres Ln, Coventry	CV3 2SY	1,099
49	New Wilton Edinburgh Limited	26-28 Swanfield, Bonnington Road	Edinburgh	EH6 5RX	340
50	Nisbets	Fourth Way, Avonmouth	BRISTOL	BS11 8TB	918
51	PETTY CASH CARLTON HOTEL				0
52	PRESTIGE HOTEL RESERVATION LTD	VICTORIA HOUSE, WELLINGTON STREET	SUFFOLK	SK1 3AD	8
53	Recognition Express	13 Pawtrain Road, Grampound	Stirlingshire,	FK3 9UT	27
54	Reynolds Catering Herfordshire	Britannia Road,	Waltham Cross	EN8 7RQ	8,814
55	Ryedale Group	Kirkdale Road, Kirkbymoorside	York	YO62 6YB	977
56	Sky Business	P.O Box 1935, Livingston	West Lothian	EH54 7XG	132
57	Supplies Team Limited	Sheffield Airport Bus Pk, Europa Ll	Sheffield	S9 1XU	168
58	Tchibo Coffee International Ltd	7-8 Blenheim Road	Epsom,	KT19 9AP	394
59	Tuplow Electronics	All Ropemaker Park	Hailsham	BN27 3QU	574
60	Zenith Hygiene Group plc	Zenith House, A1(M) Business Centre	Welwyn Green	AL9 7JE	1,252
TOTAL					76,244

Signed Date 23/10/14

Carlton Hotel (Edinburgh) Limited

LIST "F"
Statement of affairs
Unsecured creditors - Bills payable, promissory notes ,etc

No	Name and address of accepter of bill or note	Name and address of holder	Date when due	Amount of claim £

Signed

Date

23/10/14

LIST "G"
Statement of affairs
Unsecured creditors - contingent or other libailities

No	Name and address of creditor	Nature of liability	Amount of claim £
1	HMRC - Vat	Vat Liabilities	4,655,761
2	Cusomer Deposits	Payments in advance	164,009
3	Group Debts	Money Movements	46,615,656
TOTAL			51,435,426

Signed Jack McKelvie Date 23/10/14

Rule 2.21 | The Insolvency Act 1986 | Form 2.13B (Scot)

Statement of Affairs

Pursuant to paragraph 47 of Schedule B1 to the Insolvency Act 1986 and Rule 2.21(1) of the Insolvency (Scotland) Rules 1986

Insert name of the company

Statement as to the affairs of Scottish Highland Hotels Limited

as at the 11 day of September 2014, the date that the company entered administration.

Statutory Declaration

I solemnly and sincerely declare that the information provided in this statement and the lists A to G annexed and signed as relative hereto is, to the best of my knowledge and belief, true and complete,

AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 32 London Bridge Street, London SE1 9SG, England.

Signed Declan Mc Kelvey (DECLAN MCKELVEY)

This 23rd day of October 2014.

Before me

Notary Public
London, England
(Javier Pérez-Manglano)

A Notary Public or Justice of the Peace or Solicitor

Vanner Perez Notaries
8 St. Thomas Street
London SE1 9RS (England)

Scottish Highland Hotels Limited

STATEMENT as to the affairs of the Company on the 11 September 2014

		Estimated Realisable Values £
ASSETS		
Assets not specifically secured (as per List "A")		1,601,080
Assets specifically secured (as per List "B")	£	
Estimated realisable value	14,200,000	
Less: Amount due to secured creditors	- 327,520,160	
Estimated Surplus	- 313,320,160	
Estimated Total Assets available for preferential creditors, holders of floating charges and unsecured creditors		1,601,080
LIABILITIES		
Preferential creditors (as per List "C")		-
Estimated balance of assets available for holders of floating charges and unsecured creditors		1,601,080
Estimated prescribed part of net property where applicable (to carry forward)		- 323,216
Holders of floating charges (as per List "D")		- 313,320,160
Estimated surplus/deficiency as regards holders of floating charges		- 312,042,296
Estimated prescribed part of net property where applicable (brought down)		323,216
Unsecured Creditors	£	
Trade accounts (as per List "E")	- 135,988	
Bills payable (as per List "F")		
Contingent or other liabilities (as per List "G")	- 176,204,947	
Total unsecured creditors (excluding any shortfall to floating charge holders)		- 176,340,935
Estimated Surplus/Deficiency as regards creditors unsecured creditors (excluding any shortfall to floating charge holders)		- 174,739,855
Estimated deficiency after floating charge where applicable (brought down)		- 488,060,015
Estimated Surplus/Deficiency as regards creditors		
Issued and Called-up Capital		- 1,461,437
Estimated Surplus/Deficiency as regards members		- 489,521,452

These figures must be read subject to the following :- * delete as appropriate

*((a) There is no unpaid capital liable to be called up)

The estimates are subject to the expenses of the liquidation and to any surplus or deficiency on trading pending realisation of the Assets

23/10/14

Statement of affairs LIST "A"
Assets not specifically secured

Particulars of assets	Book Value £	Estimated to produce £
Balance at bank	382,718	382,718
Marketable securities (as per Schedule I)		
Bills receivable (as per Schedule II)		
Trade debtors (as per Schedule III)	664,086	597,678
Loans and advances (as per Schedule IV)	187,786,376	-
Unpaid calss (as per Schedule V)		
Stock in trade	36,799	63,676
Work in progress		
Heritable property		
Leasehold property		
Plant, machinery and vehicles	274,127	557,000
Furniture and fittings , etc		
Patents,trade marks , etc		8
Investments other than marketable securities		
Other property		
Total	189,144,107	1,601,080

Signed Date

Derek McKelvey 23/10/14

SCHEDULE I TO LIST "A"
Statement of affairs
Marketable Securities

No	Name of organisation in which securities are held	Details of securities held	Book value £	Estimated to produce £

Signed

Date 23/10/14

SCHEDULE II TO LIST "A"
Statement of affairs
Bills of exchange, promissory notes, etc. available as assets

No	Name and adress of acceptor of bill or note	Amount of bill or note £	Date when due	Estimated to produce £	Particulars of any propery held as security for payment of bill or note

Signed

Date

23/10/14

SCHEDULE III TO LIST "A"
Statement of affairs
Trade debtors

No	Name and adress of debtor	Particulars of any securities held for debt	Book Value £	Estimated to produce £
1	G Barcelo Gift Voucher		10	9
2	G CRO Deposit		395	355
3	G Prepaid Commission		32	29
4			627	564
5	Albatross Travel Group Ltd FAO Phoebe Duarte; AYLESFORD		98	88
6	Amazon		401	360
7	Amer Sports Europe Services; CAMBERLEY		237	213
8	Acorns Plc; HIGH WYCOMBE		4,402	3,962
9	Armours Funeral Service; AYR		650	585
10	Aston Villa Football Club Plc; BIRMINGHAM		9,262	8,336
11	Spirit AeroSystems Ltd; BLACKBURN		132	119
12	BAE Systems Regional Aircraft; PRESTWICK		309	278
13	Bibbys of Ingleton "MASTER"; CARNFORTH		1,225	1,103
14	Blackwood/Buckham Grant/Dave		375	338
15	Orbit Group; Worcester		524	472
16	BOOK A SPA; WINDSOR		1,785	1,607
17	The Cook School c/o Brachead Foods; KILMARNOCK		180	162
18	Hall's Of Scotland; Prestwick		823	741
19	C/O Capita T & E; Taunton		4,044	3,640
20	Buy A Gift		2,208	1,987
21	Brendan Vacations Holdings Ltd; Channel Island		661	595
22	CLASSIC BRITAIN; STRATHAVEN		3,305	2,974
23	Consolidated Carriers Ltd; TROON		278	250
24	Cranfield University David; BEDFORD		12,672	11,405
25	Diamond Resorts International; Lancaster		13,247	11,922
26	Dunn Sandra; PAISLEY		99	89
27	EASYBREAKS; EDINBURGH		11,248	10,123
28	Eastburn Mark		325	293
29	Expotel MASTER; STOCKPORT		767	691
30	Virgin Media; Stockport		50	45
31	Expedia		8,246	7,422
32	5pm.com; GLASGOW		2,310	2,079
33	Gatehouse of Fleet Bowling Club Jack; CASTLE DOUGLAS		229	206
34	Glasgow Caledonian University FAO: Tracey Jackson; GLASGOW		231	208
35	Glaxo Smith Kline; DARLINGTON		441	397
36	Guest Ledger AR; All Hotels		1,554	1,399
37	Golfbreaks.com; Windsor		3,770	3,393
38	Groupon; LONDON		1,912	1,720
39	Haversham & Baker Golfing Expeditions; OHIO		3,024	2,722
40	Hotelbeds; BARCELONA		1,335	1,201
41	Hotel Connexions; DUNBLANE		1,073	966
42	C/O HRG; FARNBOROUGH		569	512
43	C/O HRG; LEICESTER		184	165
44	Hyder Sally; EDINBURGH		164	148
45	C/O Inntel Ltd; COLCHESTER		255	230
46	ITISON; Glasgow		346	311
47	JAC Travel Ltd; LONDON		6,042	5,437
48	Last minute		49	44
49	Living Social Bkgs From 8th Aug Only; 1 & 2 nights - see req tab		150	135
50	Mahle GmbH		1,725	1,553
51	Mahle Engine Systems; KILMARNOCK		11,935	10,742
52	Mckinlay Golf Travel; Scotland		9,405	8,464
53	Miller Alan; GLASGOW		79	71
54	Sales Ledger Overpayments; DAVENTRY		280	252
55	NHS Trust North Ayrshire & Arran; KILMARNOCK		5,302	4,771
56	Novartis Pharmaceuticals UK Ltd; MITCHELDEAN		99	89
57	RSS Jet Centre Ltd		1,614	1,453
58	Old Course Experience; ST. ANDREWS		1,107	996
59	Perrygolf Intergolf; HELENSBURGH		264	238
60	Piersland House Hotel; TROON		260	234
61	St Patricks Fund Raising		850	765
62	C/o Portman Travel Ltd; Motherwell		264	237
63	The Hotel Collection Central Support		150	135
64	Puma Head Office		25	23
65	Redworth Hall Hotel		298	268
66	Spa Seekers		2,503	2,253
67	SECRET ESCAPES		10,919	9,828
68	S A F C Biosciences Ashleigh Laidlaw; IRVINE		1,340	1,206
69	Spa & Hotel Breaks; Matlock		1,536	1,383
70	SPABREAKS.COM		7,414	6,672
71	Moebel; CUPAR		350	315

23/10/14

72	Stena Line Holidays Ltd; HOLYHEAD	283	255
73	Intel Mobile Communications (UK) Limited; DAVENTRY	389	350
74	Stirling Hotel; STIRLING	52	47
75	SUPERBREAKS	16,935	15,242
76	TESCO	2,438	2,194
77	Thermo Fisher Scientific; BASINGSTOKE	4,230	3,807
78	Travelzoo (Europe) Ltd; LONDON	653	587
79	Ulsterbus Ltd MASTER; BELFAST	5,280	4,752
80	UPMG; LUTON	187	168
81	Venue Options Ltd; Sheffield	392	352
82	Walk Out A/c	7,378	6,641
83	Wilkinson Golf & Leisure; DUNFERMLINE	1,708	1,537
84	Wotif	333	300
85	Your Golf Travel.com; LONDON	2,696	2,426
86	G American Express	6,200	5,580
87	G PUMA Gift Voucher	750	675
88	3M UK Plc; NEWTON AYCLIFFE	416	374
89	Accommodations UK Ltd; NEWCASTLE UPON TYNE	141	126
90	Access Bookings; Staffordshire	1,216	1,094
91	Acorne Sports; HIGH WYCOMBE	1,000	900
92	Albatross Travel Group Ltd FAO Phoebe Duarte; AYLESFORD	8,522	7,670
93	Aldi Foodstore Ltd; DARLINGTON	1,007	906
94	Aldi Foodstore Ltd Head Office; ATHERSTONE	612	551
95	American Express Corporate Groups & Events; Essex	1,410	1,269
96	Acorne Plc; HIGH WYCOMBE	500	450
97	ASBF Charity Weekend	631	568
98	The Aston Hotel; DARLINGTON	90	81
99	ATPI Group	8,758	7,882
100	BOOK A SPA; WINDSOR	11,721	10,549
101	BSI - USE BSI001 (booking Services); TAUNTON	87	78
102	C/O Capita T & E; Taunton	7,515	6,763
103	Bullock; NEWTON AYCLIFFE	94	84
104	Butterwick Hospice Care; BISHOP AUCKLAND	1,113	1,001
105	Buy A Gift	3,222	2,899
106	CAISSA Touristic Group AG; Hamburg	3,672	3,305
107	C/O Calder; Leeds	15,957	14,361
108	Capita Finance; DARLINGTON	776	699
109	The Children's Family Trust; Droitwich	290	261
110	C/O Chillisauce	10,963	9,867
111	Cito Ltd; LEEDS	13,792	12,413
112	The Corporate Team; LONDON	83	75
113	Diamond Resorts International; Lancaster	22,886	20,597
114	EASYBREAKS; EDINBURGH	10,051	9,045
115	Ebac Ltd; NEWTON AYCLIFFE	182	164
116	Everything Everywhere	518	466
117	Find Me a Conference Infotel House; SPALDING	1,254	1,128
118	Expotel MASTER; STOCKPORT	314	283
119	Expedia	897	807
120	Farringdon Primary School	8,729	7,856
121	Flight Delay Services; MANCHESTER	101	91
122	Galloway Coach Travel Ltd; STOWMARKET	10,460	9,414
123	Glenton Holidays MASTER; GLASGOW	184	166
124	Grangefield School (A Specialist Technology College); STOCKTON-ON-TEES	3,012	2,711
125	Hinckley Island Hotel	80	72
126	HOTELSHOP UK Ltd; Droitwich Spa	2,289	2,060
127	C/O CTI Hotels; Bristol	680	612
128	Hotelbeds; BARCELONA	615	554
129	Hotel Connexions; DUNBLANE	3,256	2,931
130	C/O HRG; FARNBOROUGH	2,266	2,039
131	Find Me A Conference; Spalding	4,783	4,304
132	C/O Inntel Ltd; COLCHESTER	959	863
133	Jalpak UK; LONDON	7,766	6,989
134	Jalpak	1,312	1,181
135	Jem Sports .; CRANBROOK	6,224	5,602
136	JMD Associates; NEWTON AYCLIFFE	558	502
137	c/o Key Reservations (Hotels) Ltd WPD; GLASGOW	137	123
138	Last minute	53	48
139	LIDL UK GMBH Expense Ledger; London	7,376	6,639
140	Lidl UK Gmbh; LONDON	3,253	2,928
141	Schlegel/Linear Ltd; Co Durham	106	95
142	Living Social Ltd	2,399	2,159
143	Living Social Bkgs From 8th Aug Only; 1 & 2 nights - see req tab	9,190	8,271
144	Miki Travel Ltd; LONDON	3,075	2,768
145	NHS Commissioning Board	675	608
146	NICE Ltd; Oxfordshire	941	846
147	Northern Powergrid	98	88
148	Osiris Educational Woodhall Spa LTD INSET Department; SPILSBY	81	73
149	Durham Secondary SCITT; NEWTON AYCLIFFE	15,568	14,011
150	First 4 Venue; NOTTINGHAM	1,096	986

23/10/14

151	C/O Winning Pitch		4,068	3,662
152	C/o Portman Travel Ltd; Motherwell		1,994	1,794
153	PHR Ltd; IPSWICH		271	244
154	The Hotel Collection Central Support		77	69
155	Reservations 2000 Ltd; KINGSTON UPON THAMES		1,429	1,286
156	RPM; DARLINGTON		1,632	1,469
157	Spa Seekers		5,464	4,918
158	SECRET ESCAPES		91,201	82,080
159	Simply Groups Master; West Yorkshire		8,934	8,041
160	Spa & Hotel Breaks; Matlock		1,097	987
161	Spa Stay Select; LONDON		532	479
162	SPABREAKS.COM		11,392	10,252
163	Studiosus Reisen Muenchen		1,729	1,556
164	SUPERBREAKS		31,254	28,128
165	Teknar		98	88
166	TESCO		9,773	8,796
167	Gestamp; NEWTON AYCLIFFE		2,384	2,146
168	TLC Marketing Uk Ltd; LONDON		96	86
169	Tourama Limited; NASSAU		5,097	4,587
170	Travel Management Group Ltd; LEAMINGTON SPA		106	95
171	Travelzoo (Europe) Ltd; LONDON		9,452	8,507
172	Travel Republic		115	103
173	TR Fastenings Ltd; UCKFIELD		627	565
174	Vet Extra Ltd; GLASGOW		641	577
175	Wahanda; LONDON		2,060	1,854
176	Walk Out A/c		3,587	3,228
177	WilsonArt Ltd; SHILDON		143	129
178	C/O Zibrant Finance Department; DERBY		1,591	1,432
179	Guest Ledger		30,358	27,322
			664,086	597,678

Signed Derek McKelvie Date 23/10/14

SCHEDULE IV TO LIST "A"
Statement of affairs
Loans and advances

No	Name and adress of debtor	Particulars of any securities held for debt	Book Value £	Estimated to produce £
1	Group companies		187,786,376	-

Signed

Date 23/10/14

Scottish Highland Hotels Limited

SCHEDULE V TO LIST "A"
Statement of affairs
Loans and advances

No	No in share register	Name and adress of shareholder	No of shares held	Amount of call per share unpaid £	Total amount due £	Estimated to produce £

Signed

Date

23/10/14

LIST "B" (consisting of 1 pages)
Statement of affairs
Assets specifically secured and creditors fully or partly secured (see note below) (not including debenture holders secured by a floating charge)

No	Particulars of assets specifically secured and nature of security	Date when security granted	Name of creditor	Address and occupation
1	Hotel Property		LSREF	

Note: For this purpose treat as a creditor but identify seperately

(a) an owner of goods in the company's possession under a hire-purchase agreement or an agreement for the hire of goods for more than 3 months or
(b) a seller of goods to the company claiming a retention of title or a seller under a conditional sale agreement

23/10/14

Scottish Highland Hotels Limited

LIST "C" (consisting of pages)
Statement of affairs
Preferential creditors for salaries,wages and otherwise

No	Name of creditor	Address	Nature of claim	Total amount of claim	Amount ranking as preferential	Balance not preferential carried to List "E"

Signed Derek McKelvie Date 23/10/14

LIST "D"
Statement of affairs
List of holders of debentures secured by a floating charge

No	Name and address of Holder	Amount £	Description of assets over which security extends
1	LSREF	313,320,160	All asset debenture

Signed Date 23/10/14

Scottish Highland Hotels Limited

LIST "E" (consisting of pages)
Statement of affairs
Unsecured creditors - trade accounts

No	Name and address of creditor				Amount of the debt £
1	3663	Cr Control, PO Box 107, Black Moss	Scarisbrick, Nr Ormskirk	L40 9RW	21,935
2	Spm Limited	Centrum Centre, 38 Queen Street	Glasgow	G1 3DX	14
3	Active starCite	1600 Market street,philadelphia	Philadelphia	PA19103	70
4	Alexander Wines	2 Beechcroft Avenue	Glasgow	0	3,084
5	Allday Time Systems Limited	Lynchford House, Lynchford Lane	Farnborough,	GU14 6JD	115
6	Alliance Disposables	Alliance House, Marshfield Bank	Crewe,	CW2 8UY	3,990
7	Ayrshire Refrigeration Ltd	41 Dunsholm Road	Ayr,	KA7 4QU	214
8	B O C Gases	Cust Serv Centre, PO Box 12 Priestl	Worsley, Manchester	M28 2UT	271
9	BARCLAYCARD MERCHANT SERVICES	DEPT CSD	NORTHAMPTON	NN4 7SG	2,355
10	Bececo Water Treatments Ltd	Pearsons Hall Industrial Estate	Irchester	NN29 7AB	408
11	BERENDSEN UK LTD	PO BOx 6114	Basingstoke	RG24 8JP	91
12	Booking.com	Compass House, 80 Newmarket Road	Cambridge	CB5 8DZ	4,390
13	Braehead Foods	7 Moorfield Industrial Park	Kilmarnock	KA2 0FE	1,956
14	Brenntag UK Ltd	Albion House, Rawdon Park	Leeds	LS19 7XX	80
15	Bt Telephone Payment Centre	(Tvsd), Newcastle-Upon-Tyne		0 NE12 8XX	318
16	Business Stream	PO Box 17381	Edinburgh	EH12 1GT	8,636
17	Campbell Brothers Limited	Sherwood Industrial Estate	Bonnyrigg.	EH19 3LW	120
18	Campbell Brothers Ltd	Sherwood Industrial Estate,	Bonnyrigg	EH19 3LW	977
19	Campbells Prime Meat Limited	The Heatherfield,By Linlithgow	Lathallan	EH49 6LQ	519
20	Carlsberg - Tetley Brewing Ltd	Ground Floor, Stockdale House	Headingley Office Park	LS6 1PF	8,173
21	Classic British Hotel Consortium	3 Dunlop Street	Strathaven	ML10 6LA	1,383
22	Clear Invoice Finance Ltd	REF: 04840, P O BOX 5115	Hove	BN52 9EH	483
23	Commtrak	17433 Nassau Commons Blvd, Lewes	DE, USA	19958	31
24	Connect EcoSystems Ltd	15 Nethybank Place,	Dunfermline	KY12 0XU	324
25	Conley & Conley	Lochgreen House, Monktonhill Road	Southwood, Troon	KA10 7EN	769
26	CTS Holdings Inc	Suite 202 12385 Crabapple Road	Alpharetta	30004	117
27	David Murray Electric Bakery	6 Kyle Street	Prestwick	KA9 1PQ	162
28	Decorel Ltd	Cumberland Road,	Loughborough	LE11 5DE	284
29	Destiny Foods	Destiny House, 648 Ashton Old Road	Openshaw, Manchester	M11 2WD	2,023
30	Direct Seafoods Scotland Ltd	2 Liggars Syke Place, East Mains Ind	Broxburn	EH52 5NA	2,371
31	Ecolab Ltd	Chancery House, St Nicholas Way	Sutton,	SM1 1JB	60
32	Edmundson Electrical Ltd	37 Back Peebles Street,	Ayr	KA8 8DT	268
33	Ellisons	43 Bayton Road, Exhall	Coventry,	CV7 9EP	238
34	EXPOTEL HOTEL RESERVATIONS DD	ST JAMES HQ. 192 WELLINGTON RD NTH	STOCKPORT	SK4 2RZ	15
35	Fairfax Meadow Limited	6 Newmarket Drive, Osmaston Park In	Derby	DE24 8SW	3,286
36	First Choice Conf & Events Ltd	Trafalgar Court, Trafalgar Street,	Cheltenham	GL50 1UH	18
37	Fishers Services Cupar Ltd	Riggs Place,	Cupar Fife	KY15 5JA	15,467
38	Gibson Wight Limited		0 Ayrshire	KA1 4AN	516
39	GILCHRIST & SOAMES UK LTD	UNIT 1 JOHN WESLEY RD	WERRINGTON, PETERBOROUGH	PE4 6ZL	521
40	Glasgow Prestwick Int Airport Ltd	Prestwick, Ayrshire		0 KA9 2PL	580
41	H&B Foods Limited	44-54 Stewarts Road,	London	SW8 4DF	275
42	H&B Foods Ltd	Broomhall Farm, Broomhall Lane	Broomhall,	WR5 2NT	1,399
43	Hockley Building Services Limited	Holly House 9-11 Holly lane	Birmingham	0	314
44	Hotel Connections	3 Duchlero Park,, Dunblane	Perthshire	FK15 0EW	396
45	Hotelshop Uk Ltd	Briar Well House, Tower Hill	Droitwich Spa,	WR9 8BY	533
46	H2O UK	Com Cl Dept, Spectrum Point	279 Farnborough Rd, Farnborough	GU14 7NJ	37
47	HSS Hire Service Group PLC	25 Willow Lane, Mitcham	Surrey	CR4 4TS	148
48	Icl Contract Direct	P O Box 12,	Altrincham	WA14 5PG	67
49	IMG Direct	The Ind Maint Grp (L Cr Man Serv	Merchant Ho, Parsonage Sq, Dorkin	RH4 1UP	324
50	Independent Print Limited	2 Derry Street	London	W8 5HF	101
51	Integral Communications	Units 5-6 Titan Way, Britannia Ente	Lichfield,	WS14 9TT	49
52	Jason Hollywood	39 Manly View	Northumberland	NE63 9NR	542
53	Kelly Ann s Cakes	Unit B35, Houghton Business Centre	Houghton - le - Spring	DH5 8BJ	170
54	Leading Locations	2 Mark Close,	Southampton	SO15 8RZ	56
55	Lux Cleaning Contractors LLP	43 Maxwell Street	Tyne and Wear	NE33 4PU	264
56	Matthew Clark Wholesale	Whitchurch Lane, Whitchurch	Bristol	BS14 0JZ	8,915
57	Mico Lighting Ltd.	Troydale Lane, Pudsey	Pudsey	LS28 9LD	557
58	MJ Bimwittle & Co Ltd	Unit 1 Ferrous Way	Irlam	M44 5FS	7,263
59	Nat Trans	PO Box 529, N-3101 Tonsberg	Norway	0	1,028
60	Nisbets	Fourth Way, Avonmouth	BRISTOL	BS11 8TB	216
61	On-Site Audio Visual	3 Shawgill Court, Law Village	Carluke	ML8 5SJ	235
62	PETTY CASH TROON MARINE HOTEL	8 Crosbie Road	Troon	KA10 6HE	1,442
63	Phillips Traditional Newsagents	41-43 Ayr Street,	Troon	BN7 1YR	406
64	Piersland House Hotel Company Ltd	15 Craigend Road,	Troon	KA10 6XD	99
65	Please use account number 545430	Manor Drive,	Peterborough	PE4 7AP	58
66	Reynolds Catering Herfordshire	Britannia Road,	Waltham Cross	EN8 7RQ	16,690
67	Richard Haworth Ltd	Kearsley Mill, Stoneclough	Radcliffe, Manchester	M26 1RH	238
68	Roller Grill UK Ltd		0 Knaphill, Woking, Surrey	GU21 2LX	139
69	Ryedale Group	Kirkdale Road, Kirkbymoorside	York	YO62 6YB	43
70	Simply Bows and Chair Covers	Urpeth Farm	Consett	DH8 9LP	403
71	Sky Business	P.O Box 1805, Livingston	West Lothian	EH54 7XG	1,039
72	SpaBreaks	18-20 Farringdon lane	London	0	195
73	Spar	Spar, 9-11 Church View	Heighington	DL5 6PN	160
74	Supplies Team Limited	Sheffield Airport Bus Pk, Europa Li	Sheffield	S9 1XU	240
75	Taylor Foods Ltd	19A Elm Road, West Chirton North In	North Shields, TYNE & WEAR	NE29 8SE	623
76	Tahiba Coffee International Ltd	7-8 Blenheim Road	Epsom,	KT19 9AP	872
77	The Ice Cream Factory	3 West Portland Street	Troon	KA10 6AB	134
78	Topline Electronics	A3 Ropemaker Park	Hailsham	BN27 3GU	143
79	Trade UK	Selectapost 25	Sheffield	S97 3GE	565
80	Watson Laundry & Dry Cleaning	15 Academy Street, Troon		0 KA10	485
81	Whitakers Chocolates	Snaygill Industrial Estate,	Skipton	BD23 2QR	84
82	William Tracey Ltd	49 BurnBrae Road	Renfrewshire	PA3 3BD	1,808
83	Zenith Hygiene Group plc	Zenith House, A1(M) Business Centre	Welham Green	AL9 7JE	1,894
TOTAL					135,988

23/10/14

Scottish Highland Hotels Limited

STATEMENT as to the affairs of the Company on the 11 September 2014

LIST "F"
Statement of affairs
Unsecured creditors - Bills payable, promissory notes ,etc

No	Name and address of acceptor of bill or note	Name and address of holder	Date when due	Amount of claim £

Signed

Date

23/10/14

STATEMENT as to the affairs of the Company on the 11 September 2014

LIST "G"
Statement of affairs
Unsecured creditors - contingent or other libaillities

No	Name and address of creditor	Nature of liability	Amount of claim £
1	HMRC - Vat	Vat Liabilities	4,655,761
2	Cusomer Deposits	Payments in advance	281,460
3	Group Debts	Money Movements	171,267,726
TOTAL			176,204,947

Signed Date 23/10/14

Rule 2.21 | The Insolvency Act 1986 | Form 2.13B (Scot)

Statement of Affairs

Pursuant to paragraph 47 of Schedule B1 to the Insolvency Act 1986 and Rule 2.21(1) of the Insolvency (Scotland) Rules 1986

Insert name of the company

Statement as to the affairs of Stirling Highland Hotel Limited

as at the 11 day of September 2014, the date that the company entered administration.

Statutory Declaration

I solemnly and sincerely declare that the information provided in this statement and the lists A to G annexed and signed as relative hereto is, to the best of my knowledge and belief, true and complete,

AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 32 London Bridge Street, London SE1 9SG, England.

Signed _____ (Declan McKelvey)

This 23rd day of October 2014

Before me _____
Notary Public
London, England
(Javier Pérez-Manglano)

A Notary Public or Justice of the Peace or Solicitor

Vanner Perez Notaries
8 St. Thomas Street
London SE1 9RS (England)

Stirling Highland Hotel Limited

STATEMENT as to the affairs of the Company on the 11 September 2014

		Estimated Realisable Values £
ASSETS		
Assets not specifically secured (as per List "A")		1,069,457
Assets specifically secured (as per List "B")	£	
Estimated realisable value	7,100,000	
Less: Amount due to secured creditors	- 327,520,160	
Estimated Surplus	- 320,420,160	
Estimated Total Assets available for preferential creditors, holders of floating charges and unsecured creditors		1,069,457
LIABILITIES		
Preferential creditors (as per List "C")		-
Estimated balance of assets available for holders of floating charges and unsecured creditors		1,069,457
Estimated prescribed part of net property where applicable (to carry forward)		- 216,891
Holders of floating charges (as per List "D")		- 320,420,160
Estimated surplus/deficiency as regards holders of floating charges		- 319,567,594
Estimated prescribed part of net property where applicable (brought down)		216,891
Unsecured Creditors	£	
Trade accounts (as per List "E")	- 69,394	
Bills payable (as per List "F")		
Contingent or other liabilities (as per List "G")	- 22,943,105	
Total unsecured creditors (excluding any shortfall to floating charge holders)		- 23,012,499
Estimated Surplus/Deficiency as regards creditors unsecured creditors (excluding any shortfall to floating charge holders)		- 21,943,042
Estimated deficiency after floating charge where applicable (brought down)		- 342,363,202
Estimated Surplus/Deficiency as regards creditors		
Issued and Called-up Capital		- 500,000
Estimated Surplus/Deficiency as regards members		- 342,863,202

These figures must be read subject to the following :- * delete as appropriate

*[(a) There is no unpaid capital liable to be called up]

The estimates are subject to the expenses of the liquidation and to any surplus or deficiency on trading pending realisation of the Assets

23/10/14

Statement of affairs LIST "A"
Assets not specifically secured

Particulars of assets	Book Value £	Estimated to produce £
Balance at bank	416,839	416,839
Marketable securities (as per Schedule I)		
Bills receivable (as per Schedule II)		
Trade debtors (as per Schedule III)	462,425	416,182
Loans and advances (as per Schedule IV)	16,441,140	-
Unpaid calss (as per Schedule V)		
Stock in trade	18,432	18,432
Work in progress		
Heritable property		
Leasehold property		
Plant, machinery and vehicles	87,189	218,000
Furniture and fittings , etc		
Patents,trade marks , etc		4
Investments other than marketable securities		
Other property		
Total	17,426,025	1,069,457

Signed Date

David McKelvie 23/10/14

SCHEDULE I TO LIST "A"
Statement of affairs
Marketable Securities

No	Name of organisation in which securities are held	Details of securities held	Book value £	Estimated to produce £

Signed

Date 23/10/14

SCHEDULE II TO LIST "A"
Statement of affairs
Bills of exchange, promissory notes, etc. available as assets

No	Name and adress of acceptor of bill or note	Amount of bill or note £	Date when due	Estimated to produce £	Particulars of any propery held as security for payment of bill or note

Signed

Date

23/10/14

SCHEDULE III TO LIST "A"
Statement of affairs
Trade debtors

No	Name and adress of debtor	Particulars of any securities held for debt	Book Value	Estimated to produce
			£	£
1	3pm.com; GLASGOW		17	15
2	Abbey Tours Scotland; Dublin 2		1,502	1,352
3	Access Bookings; Staffordshire		4,050	3,645
4	Accommodations UK Ltd; NEWCASTLE UPON TYNE		320	288
5	Acorns Plc; HIGH WYCOMBE		2,078	1,870
6	Alumni Campus Abroad		99,988	89,989
7	Ash Scotland; Edinburgh		2,780	2,502
8	BP Exploration Production & Technology Group; SUNBURY-ON-THAMES		4,816	4,335
9	Brendan Vacations Holdings Ltd; Channel Island		462	416
10	Buy A Gift		851	766
11	BuyAGift Accounts Use Only		110	99
12	C/O Capita T & E; Taunton		21,052	18,947
13	c/o Conference Care; Coventry		210	189
14	C/O CTI Hotels; Bristol		1,304	1,173
15	C/O HRG; FARNBOROUGH		21,349	19,214
16	C/O HRG; LEICESTER		1,208	1,087
17	C/O Inntel Ltd; COLCHESTER		1,591	1,432
18	C/O Zibrant Finance Department; DERBY		1,168	1,052
19	Carlson Wagonlit Travel (London); London		120	108
20	CIPFA Property CIPFA Business Ltd; CHESTER		890	801
21	CLASSIC BRITAIN; STRATHAVEN		550	495
22	Conference Care; COVENTRY		254	229
23	Diabetes Education Advisory Group; EDINBURGH		14,086	12,677
24	Diageo Heritage Visits Team Heritage Visits Manager, Scotland; ELGIN		546	491
25	Diamond Resorts International; Lancaster		17,223	15,501
26	Dolby Vivisol Accounts Payable; Crwaley		745	671
27	Doubletree by Dunblane Hydro; DUNBLANE		220	198
28	EASYBREAKS; EDINBURGH		14,154	12,738
29	Euro Welcome Scotland; EDINBURGH		100	90
30	Eurowelcome Scotland		4,554	4,099
31	Expedia		6,274	5,646
32	Expotel MASTER; STOCKPORT		77,507	69,757
33	Falcon Foodservice Equipment; STIRLING		595	536
34	Flight Centre; LONDON		3,328	3,095
35	O American Express		12,779	11,501
36	O CRO Deposit		2,377	2,139
37	Glasgow Caledonian University FAO: Tracey Jackson; GLASGOW		85	77
38	Grafton Merchandising GB; OXFORD		1,251	1,126
39	Groupon; LONDON		2,640	2,376
40	Head Office Management		25	23
41	Hospitality Line; KENT		380	342
42	Hotel Connections; DUNBLANE		1,402	1,262
43	Hotelbeds; BARCELONA		14,893	13,404
44	International Financial Data Service Ltd; BASILDON		4,688	4,219
45	Intrinsic Financial Services Ltd; SWINDON		854	769
46	ITISON; Glasgow		1,916	1,724
47	JAC Travel Ltd; LONDON		35,966	32,369
48	Kuoni Global Travel Services (formally Gullivers Travel Associates); LONDON		1,260	1,134
49	Leura Biologics Plc FAO Joyce Hutchins; SLOUGH		453	408
50	Marcis Group Ltd; LEICESTER		756	681
51	My City Deals		1,368	1,231
52	NHS Education for Scotland; Edinburgh		159	143
53	Nigel Greaves Associates Threesixty; REIGATE		152	137
54	Norbord Ltd (Nextfor); STIRLING		182	164
55	Nordic Tours		330	297
56	O & I Manufacturing UK Ltd; ALLOA		164	148
57	Prudential (London); LONDON		240	216
58	Ricoh UK Products Limited; STIRLING		319	287
59	Robertson Construction Central Ltd; STIRLING		838	754
60	Scottish Government; EDINBURGH		1,260	1,134
61	SECRET ESCAPES		8,651	7,786
62	SEPA; STIRLING		75	68
63	Service-Reisen; GIESSEN		2,167	1,950
64	Skills Development Scotland; GLASGOW		495	446
65	Spa Seekers		1,190	1,071
66	SPABREAKS.COM		6,358	5,722
67	St James Place; SOLIHULL		492	442
68	Stirling Management Centre; STIRLING		54	49
69	SUPERBREAKS		25,137	22,623
70	Superglass; STIRLING		510	459
71	TESCO		1,245	1,121
72	The Hotel Collection Central Support		25	23
73	The Stirling Whisky Shop Estain Gallery Ltd; GLASGOW		5,423	4,881
74	Travcorp Management Services Ltd		623	561
75	Travel Corporation Asia Ltd; Guernsey		6,625	5,963
76	Trust Reservations; WINDSOR		80	72
77	Unison; EDINBURGH		2,115	1,904
78	UNISON; GLASGOW		2,317	2,085
79	Unite the Union; GLASGOW		730	657

23/10/14

80	University of Stirling; Stirling		85	77
81	Wahanda; LONDON		1,277	1,149
82	Walk Out A/c		1,420	1,278
83	Wedf		175	158
84	Zero Waste Scotland; STIRLING		2,384	2,146
85	Zisys AVMN Limited; IRVINE		1,032	929
	TOTAL		462,425	416,182

Signed Date 23/10/14

SCHEDULE IV TO LIST "A"
Statement of affairs
Loans and advances

No	Name and adress of debtor	Particulars of any securities held for debt	Book Value £	Estimated to produce £
1	Group companies		16,441,140	-

Signed

Date 23/10/14

SCHEDULE V TO LIST "A"
Statement of affairs
Loans and advances

No	No in share register	Name and adress of shareholder	No of shares held	Amount of call per share unpaid £	Total amount due £	Estimated to produce £

Signed

Date 23/10/14

LIST "B" (consisting of 1 pages)
Statement of affairs
Assets specifically secured and creditors fully or partly secured (see note below) (not including debenture holders secured by a floating charge)

No	Particulars of assets specifically secured and nature of security	Date when security granted	Name of creditor	Address and occupation
1	Hotel Property		LSREF	

Note: For this purpose treat as a creditor but identify seperately

(a) an owner of goods in the company's possession under a hire-purchase agreement or an agreement for the hire of goods for more than 3 months or
(b) a seller of goods to the company claiming a retention of title or a seller under a conditional sale agreement

23/10/14

LIST "C" (consisting of pages)
Statement of affairs
Preferential creditors for salaries,wages and otherwise

No	Name of creditor	Address	Nature of claim	Total amount of claim	Amount ranking as preferential	Balance not preferential carried to List "E"

Signed

Date 23/10/14

LIST "D"
Statement of affairs
List of holders of debentures secured by a floating charge

No	Name and address of Holder	Amount £	Description of assets over which security extends
1	LSREF	320,420,160	All asset debenture

Signed

Date 23/10/14

LIST "E" (consisting of pages)
Statement of affairs
Unsecured creditors - trade accounts

No	Name and address of creditor				Amount of the debt £
1	3663	Cr Council, PO Box 107, Black Mass	Scaristrick, N' Ormskirk	L40 9RW	5,882
2	A.I.B. Entertainments Ltd	Newhouse Business Park, Newhouse Ro	Grangemouth	FK3 8LL	330
3	Access Bookings	Highlands, 57A Tamworth Road,	Lichfield,, Staffordshire	WS14 9HG	20
4	Alfonso Dispensaries	Alfonso House, Marshfield Bank	Crewe,	CW2 8UY	1,849
5	Angel Springs Limited	Angel House, Shaw Road	Wolverhampton	WV10 9LE	102
6	BARCLAYCARD MERCHANT SERVICES	DEPT CSD	NORTHAMPTON	NN4 7SG	9,207
7	Biffa Waste Services Ltd	Coronation Road, Cressx	High Wycombe, Bucks	HP12 3TZ	877
8	Booking.com	Compass House, 80 Newmarket Road	Cambridge	CB5 8DZ	16,394
9	Brakeod Foods	7 Moorfield Industrial Park	Kilmarnock	KA2 0FE	844
10	Business Screen	PO Box 17281	Edinburgh	EH12 1GT	-
11	Campbell Brothers Limited	Sherwood Industrial Estate	Bonnyrigg,	EH19 3LW	196
12	Campbell Brothers Ltd	Sherwood Industrial Estate,	Bonnyrigg	EH19 3LW	1,321
13	Campbells Prime Meat Limited	The Heatherfield,By Lhilthgow	Lasballes	EH49 6LQ	1,559
14	Carlsberg - Tuley Brewing Ltd	Ground Floor, Stockdale House	Headingley Office Park	LS6 1PF	404
15	Carlton Wignall Avenue Travel Ltd	253 Lawrence Avenue West	Toronto	M5M 1B3	18
16	Click Travel Ltd	10th Floor - Alpha Tower	Birmingham	B1 1TT	17
17	Close Invoice Finance Ltd	REF: 04840, P O BOX 5115	Hove	BN52 9EH	367
18	Donkey Foods	Donkey House, 648 Ashton Old Road	Openshaw, Manchester	M11 1WD	799
19	Direct Seafoods Scotland Ltd	2 Upper Sykc Place, East Mains Ind	Banchory	AB32 5NA	1,993
20	Ellisons	43 Bryton Road, Bristol	Coventry,	CV1 9EF	155
21	Fishers Services Cupar Ltd	Riggs Place,	Cupar Fife	KY15 5JA	132
22	GILCHRIST & SOAMES UK LTD	UNIT 1 JOHN WESLEY RD	WERRINGTON, PETERBOROUGH	PE4 6ZL	543
23	Golden Lion Hotel	8-10 King Street,	Stirling	FK8 1BD	90
24	H&B Foods Limited	44-54 Stewarts Road,	London	SW8 4DE	843
25	Heatacoise Ltd	T/A Classic Caterlas, Classic House		0 KT7 0WD	195
26	Hockley Building Services Limited	Holly House 9-11 Holly lane	Birmingham	0	660
27	Hotelshop Uk Ltd	Brine Well House, Tower Hill	Droitwich Spa,	WR9 8BY	45
28	HSS Hire Service Group PLC	25 Willow Lane, Mitcham	Surrey	CR4 4TS	1,503
29	Ices Cabinets	6 Northampton Road	Market Harborough	LE16 9HE	3,336
30	Independent Print Limited	2 Dorty Street	London	WE 5HF	101
31	Jewson Limited	PO Box 7357,	Glasgow	G51 9AB	63
32	Knox Escalators	Work Bridge Road,	Keighley	BD21 4YA	503
33	Lightning Protection Services	Cows Estate, Kirkpatrick Fleming	Dumfriesshire	DG11 3AT	180
34	Matthew Clark Wholesale	Whitchurch Lane, Whitchurch	Bristol	BS14 0JZ	1,451
35	MJ Birtwistle & Co Ltd	Unit 1 Fewers Wry	Irlam	M44 5FS	599
36	PETTY CASH STIRLING HIGHLAND HOTEL				-
37	Protec Fire Detection Ltd	Protec House, Churchill Way	Nelson,	BB9 6RT	321
38	Reception Express	12 Fewdrain Road, Grangemouth	Stirlingshire,	FK3 9UT	29
39	Reynolds Catering Herefordshire	Britannia Road,	Waltham Cross	EN8 7RQ	6,509
40	Richard Haworth Ltd	Kearsley Mill, Stanneyburgh	Radcliffe, Manchester	M26 1RH	1,276
41	Sky Business	P.O Box 1803, Livingston	West Lothian	EH54 7XQ	2,640
42	Spa Breaks	18-20 Farringdon lane	London	0	577
43	Tchibo Coffee International Ltd	7-8 Blenheim Road	Epsom,	KT19 9AP	221
44	Topline Electronics	A5 Rapesmire Park	Hailsham	BN27 3QU	182
45	Town & Country Fine Foods	Unit 4 Perth Trading Estate	Montrose Avenue, Slough	SL1 4QZ 33617	204
46	TravelWorld	16051 west tampa palms	Tampa		19
47	WHYLER PHOTOS	BACK O'HILL INDUSTRIAL ESTATE	STIRLING	FK8 1SN	780
48	Zenith Hygiene Group plc	Zenith House, A1(M) Business Centr	Welham Green	AL9 7JE	1,796
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83					
TOTAL					69,394

23/10/14

LIST "F"
Statement of affairs
Unsecured creditors - Bills payable, promissory notes ,etc

No	Name and address of acceptor of bill or note	Name and address of holder	Date when due	Amount of claim £

Signed

Date 23/10/14

LIST "G"
Statement of affairs
Unsecured creditors - contingent or other libailities

No	Name and address of creditor	Nature of liability	Amount of claim £
1	HMRC - Vat	Vat Liabilities	4,655,761
2	Cusomer Deposits	Payments in advance	72,893
3	Group Debts	Money Movements	18,214,451
TOTAL			22,943,105

Signed Date 23/10/14

Appendix 6

Statement of Claim Forms

THE INSOLVENCY ACT 1986 *Form 4.7 (Scot)*

STATEMENT OF CLAIM BY CREDITOR

Pursuant to Rule 4.15(2)(a) and Rule 2.41(1) of the Insolvency (Scotland) Rules 1986

WARNING

It is a criminal offence:

- For a creditor to produce a statement of claim, account, voucher or other evidence which is false, unless he shows that he neither knew nor had reason to believe that it was false; or
- For a director or other officer of the company who knows or becomes aware that it is false to fail to report it to the Administrator within one month of acquiring such knowledge.

On conviction either the creditor or such director or other officer of the company may be liable to a fine and/or imprisonment.

Notes:

(a) Insert name of company:

(a) **Carlton Hotel (Edinburgh) Limited** (Registered Number SC047923) having its registered office at Maclay Murray & Spens LLP, 1 George Square, Glasgow, G2 1AL

(b) Insert name and address of creditor:

(b) _____

(c) Insert name and address, if applicable, of authorised person acting on behalf of the creditor:

(c) _____

*(d) Insert total amount as at the due date (**14 February 2012**) claimed in respect of all the debts, the particulars of which are set out overleaf.*

I submit a claim of (d) £_____ in the administration of the above company and certify that the particulars of the debt or debts making up the claim, which are set out overleaf, are true, complete and accurate to the best of my knowledge and belief.

Signed _____
Creditor/person acting on behalf of creditor

Date _____

PARTICULARS OF EACH DEBT

Notes **A separate set of particulars should be made out in respect of each debt**	
1. Describe briefly the debt, giving details of its nature, the date when it was incurred and when payment became due. *Attach any documentary evidence of the debt, if available.*	1. **Particulars of debt**
2. Insert total amount of the debt, showing separately the amount of principal and any interest which is due on the debt as at the due date (see note (e)). Interest may only be claimed if the creditor is entitled to it. Show separately the VAT on the debt and indicate whether the VAT is being claimed back from HM Customs and Excise.	2. **Amount of Debt**
3. Insert the nature and amount of any preference under Schedule 6 to the Act claimed in respect of the debt.	3. **Preference Claimed for debt**
4. Specify and give details of the nature of any security held in respect of the debt including - *(a) The subjects covered and the date when it was given.* *(b) The value of the security.* *Security is defined in section 248(b) of the Insolvency Act 1986 as meaning "any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off)". For claims in administration procedure security also includes a hire purchase agreement for the hire of goods for more than three months and a conditional sale agreement (see Rule 2.33)*	4. **Security for Debt**

THE INSOLVENCY ACT 1986 *Form 4.7 (Scot)*

STATEMENT OF CLAIM BY CREDITOR

Pursuant to Rule 4.15(2)(a) and Rule 2.41(1) of the Insolvency (Scotland) Rules 1986

WARNING

It is a criminal offence:

- For a creditor to produce a statement of claim, account, voucher or other evidence which is false, unless he shows that he neither knew nor had reason to believe that it was false; or
- For a director or other officer of the company who knows or becomes aware that it is false to fail to report it to the Administrator within one month of acquiring such knowledge.

On conviction either the creditor or such director or other officer of the company may be liable to a fine and/or imprisonment.

Notes:

(a) Insert name of company:

(a) **Scottish Highland Hotels Limited** (Registered Number SC055493) having its registered office at Maclay Murray & Spens LLP, 1 George Square, Glasgow, G2 1AL

(b) Insert name and address of creditor:

(b) _____

(c) Insert name and address, if applicable, of authorised person acting on behalf of the creditor:

(c) _____

*(d) Insert total amount as at the due date (**14 February 2012**) claimed in respect of all the debts, the particulars of which are set out overleaf.*

I submit a claim of (d) £_____ in the administration of the above company and certify that the particulars of the debt or debts making up the claim, which are set out overleaf, are true, complete and accurate to the best of my knowledge and belief.

Signed _____
Creditor/person acting on behalf of creditor

Date _____

PARTICULARS OF EACH DEBT

Notes **A separate set of particulars should be made out in respect of each debt**	
1. Describe briefly the debt, giving details of its nature, the date when it was incurred and when payment became due. *Attach any documentary evidence of the debt, if available.*	1. **Particulars of debt**
2. Insert total amount of the debt, showing separately the amount of principal and any interest which is due on the debt as at the due date (see note (e)). Interest may only be claimed if the creditor is entitled to it. Show separately the VAT on the debt and indicate whether the VAT is being claimed back from HM Customs and Excise.	2. **Amount of Debt**
3. Insert the nature and amount of any preference under Schedule 6 to the Act claimed in respect of the debt.	3. **Preference Claimed for debt**
4. Specify and give details of the nature of any security held in respect of the debt including - *(a) The subjects covered and the date when it was given.* *(b) The value of the security.* *Security is defined in section 248(b) of the Insolvency Act 1986 as meaning "any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off)". For claims in administration procedure security also includes a hire purchase agreement for the hire of goods for more than three months and a conditional sale agreement (see Rule 2.33)*	4. **Security for Debt**

THE INSOLVENCY ACT 1986 *Form 4.7 (Scot)*

STATEMENT OF CLAIM BY CREDITOR

Pursuant to Rule 4.15(2)(a) and Rule 2.41(1) of the Insolvency (Scotland) Rules 1986

WARNING

It is a criminal offence:

- For a creditor to produce a statement of claim, account, voucher or other evidence which is false, unless he shows that he neither knew nor had reason to believe that it was false; or
- For a director or other officer of the company who knows or becomes aware that it is false to fail to report it to the Administrator within one month of acquiring such knowledge.

On conviction either the creditor or such director or other officer of the company may be liable to a fine and/or imprisonment.

Notes:

(a) Insert name of company:

(a) **Stirling Highland Hotel Limited**
(Registered Number SC111734) having its registered office at Maclay Murray & Spens LLP, 1 George Square, Glasgow, G2 1AL

(b) Insert name and address of creditor:

(b) _____

(c) Insert name and address, if applicable, of authorised person acting on behalf of the creditor:

(c) _____

*(d) Insert total amount as at the due date (**14 February 2012**) claimed in respect of all the debts, the particulars of which are set out overleaf.*

I submit a claim of (d) £_____ in the administration of the above company and certify that the particulars of the debt or debts making up the claim, which are set out overleaf, are true, complete and accurate to the best of my knowledge and belief.

Signed _____
Creditor/person acting on behalf of creditor

Date _____

PARTICULARS OF EACH DEBT

Notes **A separate set of particulars should be made out in respect of each debt**	
1. Describe briefly the debt, giving details of its nature, the date when it was incurred and when payment became due. *Attach any documentary evidence of the debt, if available.*	1. **Particulars of debt**
2. Insert total amount of the debt, showing separately the amount of principal and any interest which is due on the debt as at the due date (see note (e)). Interest may only be claimed if the creditor is entitled to it. Show separately the VAT on the debt and indicate whether the VAT is being claimed back from HM Customs and Excise.	2. **Amount of Debt**
3. Insert the nature and amount of any preference under Schedule 6 to the Act claimed in respect of the debt.	3. **Preference Claimed for debt**
4. Specify and give details of the nature of any security held in respect of the debt including - *(a) The subjects covered and the date when it was given.* *(b) The value of the security.* *Security is defined in section 248(b) of the Insolvency Act 1986 as meaning "any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off)". For claims in administration procedure security also includes a hire purchase agreement for the hire of goods for more than three months and a conditional sale agreement (see Rule 2.33)*	4. **Security for Debt**

Appendix 7

Disclosure in Accordance with Statement of Insolvency Practice 16 (Scotland) "Pre-Packaged Sales in Administrations"

DUFF & PHELPS

Our ref: PDW/PJC/SMS/LKA/SBJ/D&P1775/1867384/P3

NOTICE TO ALL CREDITORS
OF THE APPOINTMENT OF JOINT ADMINISTRATORS

When telephoning please ask for:
Sebastien Johnson

e-mail.
Sebastien.Johnson@duffandphelps.com

Direct Line:
020 7089 4816

18 September 2014

Dear Sirs

Furlong Cotswolds Limited, Furlong Hotels Limited, Stirling Highland Hotel Limited, Scottish Highland Hotels Limited, Carlton Hotel (Edinburgh) Limited, Paramount Hotels Services Limited, Old Ship Hotel (Brighton) Limited, Combe Grove Manor Hotel & Country Club Limited, Paramount Hotels Limited, Paramount Hotels (Daventry) Limited, Paramount Hotels (Hinckley) Limited, Paramount Hotels (Basingstoke) Limited, Paramount Hotels Walton Hall Limited, Paramount Hotels Investments Limited, UK Hotels (Finance) Plc, Paramount Hotels Group Limited, The Lygon Arms Hotel Limited and Paramount Hotels Holdings Limited (All in Administration) Together ("the Group")

I was appointed Joint Administrator of each company in the Group on 11 September 2014, together with my Partners Paul Clark and David Whitehouse. The appointments were made by the director of each of the Group members. Formal notices of the appointments are attached for your reference.

The officers of the Group are required to submit a statement of affairs, but as yet we are not in a position to give any information regarding the financial position. We shall send you a report as soon as it is reasonably practicable which will explain the objectives of the Administration and give details of the financial position of the Group. At that time we may also convene meetings of creditors and will advise you of the prospects of a dividend. If you believe you are a creditor of the Group, please provide details of your claim on the attached proof of debt form noting the individual company that you are owed money by.

If you have commenced recovery proceedings against any of the Group member, I suggest you contact Sebastien Johnson before continuing as a matter of priority, because no legal processes may continue against the Group without my consent or permission of the Court.

Cont'd/...

The affairs, business and property of the Group are being managed by the Joint Administrators, Paul Williams, Paul Clark and David Whitehouse who act as agents for the Group and without personal liability. They are both licensed by the Insolvency Practitioners Association

Upon my appointment, I completed a sale of the Group's business and assets as per the attached table in Appendix 1. Where Insolvency Practitioners are party to a pre-packaged sale, best practice guidelines require them to disclose to creditors, where practicable, certain information in respect of that pre-packaged sale within the first notification to creditors. Accordingly please refer to Appendix 2 for such information with respect to the sale of the Group's business and assets to the relevant purchaser.

If you have any concerns regarding the way in which any of the Group's business has been conducted or are aware of any assets which may belong to the Group, please provide details to my office.

Finally, if you contend that you have any form of security or reservation of title in respect of goods that you previously supplied, please telephone Sebastien Johnson of my office immediately and provide full written details and a copy of the documentation relating to your claim.

Should you have any queries, please do not hesitate to contact Sebastien Johnson of this office.

Yours faithfully
For and on behalf of
the Group

Paul Williams
Joint Administrator
Encs.

The affairs, business and property of the Group are being managed by the Joint Administrators, Paul Williams, Paul Clark and David Whitehouse who act as agents for the Group and without personal liability. They are both licensed by the Insolvency Practitioners Association.

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

T +44 (0) 20 7089 4700
F +44 (0) 20 7089 4701
www.duffandphelps.co.uk

Duff & Phelps Ltd. Registered in England. Company registration number 05568550. Registered office: 7 Albemarle Street, London. W1S 4HQ

Licensed Insolvency Practitioners acting as office holders act without personal liability and unless otherwise stated are authorised by the Insolvency Practitioners Association

Appendix 1

Purchaser	Seller	Assets Acquired
Hotel Collection Hotel No. 1 Limited	Paramount Hotels (Hinckley) Limited	Hinckley Island Hotel
Hotel Collection Hotel No. 2 Limited	Carlton Hotel (Edinburgh) Limited	Carlton Hotel
Hotel Collection Hotel No. 3 Limited	Paramount Hotels Limited	Majestic Hotel
Hotel Collection Hotel No. 4 Limited	Paramount Hotels Limited	Oxford Hotel
Hotel Collection Hotel No. 5 Limited	Paramount Hotels Walton Hall Limited	Walton Hall Hotel
Hotel Collection Hotel No. 6 Limited	Paramount Hotels Limited	Imperial Hotel, Torquay
Hotel Collection Hotel No. 7 Limited	Paramount Hotels Limited	Shrigley Hall Hotel
Hotel Collection Hotel No. 8 Limited	Old Ship Hotel (Brighton) Limited	Old Ship Hotel
Hotel Collection Hotel No. 9 Limited	Paramount Hotels Limited	Imperial Hotel, Blackpool
Hotel Collection Hotel No. 10 Limited	Furlong Cotswolds Limited	Lygon Arms Hotel
Hotel Collection Hotel No. 11 Limited	Furlong Hotels Limited	Billesley Manor Hotel
Hotel Collection Hotel No. 12 Limited	Paramount Hotels (Daventry) Limited	Daventry Court Hotel
Hotel Collection Hotel No. 13 Limited	Stirling Highland Hotel Limited	Stirling Highland Hotel
Hotel Collection Hotel No. 14 Limited	Scottish Highland Hotels Limited	Redworth Hall Hotel
Hotel Collection Hotel No. 15 Limited	Scottish Highland Hotels Limited	Marine Hotel
Hotel Collection Hotel No. 16 Limited	Paramount Hotels Basingstoke Limited	Basingstoke Country Hotel
Hotel Collection Hotel No. 17 Limited	Paramount Hotels Limited	Cheltenham Park Hotel
Hotel Collection Hotel No. 18 Limited	Paramount Hotels Limited	Angel Hotel
Hotel Collection Hotel No. 19 Limited	Paramount Hotels Limited	Palace Hotel
Hotel Collection Hotel No. 20 Limited	Combe Grove Manor Hotel & Country Club Limited	Combe Grove Manor Hotel & Country Club
Hotel Collection Services Limited	Paramount Hotels Services Limited	Certain assets from Paramount Hotels Limited, Paramount Hotels (Hinckley) Limited and Stirling Highland Hotel Limited

Appendix 2

Outlined below are details of the sale of the businesses and assets of the Group. The individual entities within the Group and the purchaser of each entity's business and assets is detailed at Appendix 3. The purchasers detailed at Appendix 3 will collectively be referred to as "the Purchaser".

Creditors should be aware of the differing roles of an insolvency practitioner associated with an Administration that involves a pre-packaged sale of a company's business and assets. Prior to the formal appointment, the insolvency practitioner will have been instructed by the company and/or a secured creditor to provide advice although will act at all times independent of the company's management who will remain responsible for the affairs of the company. That advice will normally include consideration of potential insolvency exit strategies and to assist management meet their fiduciary duties and obligations when running a company with particular attention being paid to any proposed pre-packaged administration sale scenario. On formal appointment, the Administrator, who is an officer of the Court and an agent of the company, will manage the company's affairs, business and property for the benefit of its creditors as a whole.

Executive summary

This document explains the background to and the reasons for, the decision of the Joint Administrators to sell the business and assets of the Group via a pre-packaged sale.

In summary the Joint Administrators are of the clear opinion that their decision to sell the business and assets of the Group by way of a pre-packaged sale has resulted in the most positive outcome available to creditors.

This opinion is based upon the information available to them at the time of the sale, the advice provided by independent third party experts, consultation with the Group's largest creditor and the potential risks known to the Joint Administrators based upon both their prior general experience and based upon the specific risks associated with an administration of the Group.

The Joint Administrators have concluded that the pre-packaged sale of the Group's assets was appropriate and in the best interests of creditors as a whole for the following reasons:

1. The sale was at market value and was supported by the largest creditor.

2. The sale avoided the potential £30m reduction in value (identified by Knight Frank) that could result from an administration (i.e. the sale preserved value).

3. The sale preserved debtor collections of around £7.5m.

4. The sale mitigated the risk of claims from customers for the return of deposits of around £3.9m.

5. The sale maximised value from the chattel assets of around £6.5m.

6. The sale did not prejudice the position of unsecured creditors but protected and maximised their interests.

7. The sale maximised the return to the secured creditor.

Due to the level of secured debt within the Group, it should be noted that unsecured creditors have an interest in the prescribed part only. The interest of third party unsecured creditors, based upon the figures in the Group's financial records, amounts to around 4% of the total unsecured debts.

A solvent solution was not possible as the largest shareholder and bond holder did not put forward proposals.

- **Background information**

The Group operates 21 4 star hotels in England, Scotland and Wales. The hotels offer over 2,800 ensuite bedrooms and over 220 meeting rooms.

The Group operated under the 'Puma Hotels' name up to June 2014 when it rebranded to 'The Hotel Collection'.

The Group was funded by Anglo Irish Bank which was merged into the Irish Bank Resolution Corporation ("IBRC") in 2011. In 2013 IBRC was placed into Special Liquidation and later began to sell off part of its loan portfolio. The insolvency of the Group's lender led to uncertainty regarding its future and restricted any further borrowings.

On 16 May 2014 LSREF III Wight Limited ("LSREF") acquired the Group's debt from IBRC and took an assignment of all of the rights under the associated security. LSREF appointed Hudson Advisors UK Limited ("Hudson") to manage the debt and negotiate terms with the Group. All of the subsidiaries within the Group cross-guaranteed the secured debt.

The Group was insolvent on a balance sheet basis as its liabilities exceeded its assets as a result of a decline in the UK property market which negatively impacted on the value of the Group's property portfolio, being the hotel assets. The hotel assets were valued at c£248m in December 2013 by Knight Frank LLP compared to the Group's secured lending of c£337m. There was further unsecured lending within the Group of £44m arising from bonds issued by UK Hotels (Finance) Plc.

The borrowing facilities in place expired on 31 May 2014, without new facilities being agreed and the Group defaulted on interest payments due after this time.

Difficult market conditions have prevailed in the hotel and hospitality sector, impacting on trading performance in recent years. Whilst the Group has continued to record a trading profit, it has been insufficient to adequately service loan and interest repayments.

As a consequence of the pressure on cash flow due to the trading conditions, the Group has been unable to fully invest in the hotels. The previous directors of the Group commissioned an independent review in early 2014 which identified a minimum capital expenditure ("CAPEX") requirement of c£30m for the following two years. The Group therefore was trading profitably at an operational level but was not able to service its debts or invest the desired level of capital expenditure to protect the current trading performance.

Following the expiry of the lending facilities, LSREF entered into a short term standstill arrangement ("the Standstill Agreement") with the Group in June 2014, whilst a restructuring of the Group's debt was considered.

The Standstill Agreement was terminated on 4 August 2014 and on the same day LSREF also served demand on UK Group of Hotels plc ("UKGHP"), being the parent company of the Group. As UKGHP was unable to repay its debt, the directors of UKGHP subsequently appointed Paul Williams, Paul Clark and David Whitehouse ("the Joint Administrators") of Duff & Phelps Ltd. ("Duff & Phelps") as Joint Administrators of UKGHP on 4 August 2014. LSREF consented to the appointment of Joint Administrators.

The objective of the Administration of UKGHP was to allow the Group a further period of time, together with the protection of a statutory moratorium, to review its options including both solvent and insolvent restructuring options. These options are detailed further in the 'pre appointment considerations' section.

Following the appointment of the Joint Administrators, the directors of the Group resigned and appointed a replacement director.

The new director was appointed in respect of all entities within the Group, excluding UKGHP, on 4 August 2014. A VAT payment of circa £2m due on 31 July 2014 was outstanding upon the new director's appointment. The Group had previously engaged Duff & Phelps to assist in liaising with HMRC and the new director took steps to continue the discussions with HMRC in respect of the outstanding liability and the further VAT and PAYE liabilities, accruing on a daily basis. The director sent a letter to HMRC on 11 August 2014 but, he was unable to agree a meeting with HMRC. HMRC issued a 'warning of winding up' letter to the Group (excluding UK Hotels (Finance) Plc) dated 8 August 2014. This was only received by the Group on 15 August 2014.

The director sought advice from Duff & Phelps as to the most appropriate course of action. The various stakeholders of the Group were engaged to ascertain their views on the future of the Group. In particular, the funders and the largest equity holder were approached to establish their respective appetites to refinance the Group. However, given the financial position of the Group it became apparent that a refinance of the Group in its current form would not be possible.

Regular dialogue continued between Duff & Phelps and HMRC including providing a further copy of the Group's letter of 11 August 2014 which HMRC stated that they had not previously received. As it became apparent that a solvent restructuring was considered unachievable and due to the threat of Court action by HMRC, the new director signed notices of intention to appoint Administrators. These were filed at Court, in respect of all England and Wales registered entities within the Group, on 29 August 2014 and in respect of the Scottish registered entities, Stirling Highland Hotel Limited, Scottish Highland Hotels Limited and Carlton Hotel (Edinburgh) Limited, on 1 September 2014.

Paul Williams, Paul Clark and David Whitehouse of Duff & Phelps were subsequently appointed Joint Administrators of the Group on 11 September 2014. Immediately following their appointment the Joint Administrators executed a pre-packaged sale of the Group's businesses and assets to the Purchaser. Further details regarding this transaction are detailed below.

None of the Group's businesses or assets were acquired from a previous insolvency in the last 24 months.

- **Initial introduction**

Duff & Phelps' initial introduction to the Group's affairs was in an initial informal meeting with Hudson on 16 April 2014.

Duff & Phelps were formally engaged by Hudson on behalf of LSREF, on 16 May 2014. The scope of the engagement was to provide restructuring advice and an options analysis, further details of which are below.

Further, Duff & Phelps were engaged by the Group on 31 July 2014 to assist in liaising with HMRC regarding the Group's outstanding HMRC liabilities. Duff & Phelps were subsequently engaged by the Group on 12 August 2014 to provide restructuring and insolvency planning advice to the Group.

Prior to this, none of the Joint Administrators has had any prior business relationship with the Group or its directors.

- **Pre-appointment considerations**

Options Considered

Outlined below are the options discussed with the Group's director and secured lender, via Hudson, and the reasons for recommending or not recommending each option:

1. Continue to trade

The Group was unable to continue to trade in its current structure for the following reasons:

- The Group generated insufficient cash to service its secured debt and was in default in respect of its lending facilities.
- The Group generated insufficient cash to invest in the desired level of CAPEX and therefore the quality of its hotel assets were deteriorating. It was anticipated that the Group's performance would deteriorate in due course if CAPEX over and above that available from existing working capital was not undertaken in the short to medium term.
- No new borrowing was available due to the balance sheet insolvency of the Group and the current lender's unwillingness to invest in the Group's current structure.

2. CVA

It was determined that a CVA would not be a suitable option as a CVA would not provide a solution to the fundamental issues identified as no capital or alternative financing was available to resolve the CAPEX issues and a CVA would not improve the position of the secured lender.

3. Appointment of Administrators and sale of the businesses and assets following a trading period in Administration

It was determined that trading the Group in Administration whilst a purchaser of the businesses and assets was sought would not be a suitable option for the following reasons:

- According to the valuation of Knight Frank LLP (commented on further below), the appointment of Administrators to trade and sell the hotels could cause a diminution of value of c£30m to the hotel assets.
- Trading the businesses in Administration would likely result in substantial additional professional costs being incurred and therefore a likely reduction in the sums available to be distributed to the Group's secured lender and non-preferential unsecured creditors via the Prescribed Part.
- The Group's secured lender would ultimately be required to approve any sale and given the significant shortfall of the Group's assets in comparison to its liabilities, it was deemed unlikely that any potential purchaser would be in a position to provide an acceptable offer to be approved by the secured lender, even after a period of trading and open marketing.
- There was a risk that suppliers would be unwilling to continue to supply the companies in Administration. Further, without the necessary comfort/guarantees customers may have cancelled future events. This position would have had a negative impact on the value of the business, as supported by the Knight Frank valuation.
- LSREF, the Group's largest creditor, was supportive of a pre-packaged sale and had indicated it would fund the purchase through a new corporate structure. Given the level of LSREF's debt, the impact of any sale on the return to LSREF was of paramount importance to the Joint Administrators and significantly outweighed the economic interests of all other creditors.

4. Liquidation of the Group

It was determined that the Liquidation of the Group would likely result in the least favourable outcome for creditors and stakeholders for the following reasons:

- The cessation of trading would have resulted in the hotels closing which would have significantly eroded the market value of the property hotel assets; the Knight Frank valuation was circa £30m less in an Administration scenario. Further, the cessation of trading would have significantly eroded the market value of the chattel assets; the Hilco valuation of floating charge assets (excluding cash and book debts) was circa £4m less in an ex-situ scenario.

- The cessation of trading would have resulted in the termination of events and bookings, adversely impacting on the book debt ledger collections and increasing the claims of non-preferential unsecured creditors by the value of the deposits lost (c£3.9m).

- The cessation of trading would have resulted in over 2,400 employees being made redundant. This would have increased preferential and non-preferential unsecured claims significantly.

5. Sale of businesses and assets as a going concern via pre-packaged Administrations

After considering the position, it was determined that the best option for the creditors of the Group would be achieved via pre-packaged Administration sales of the Group's businesses and assets. The reasons for preferring pre-packaged Administrations over the other options are as follows:

- LSREF, the Group's largest creditor and funder, was supportive of a pre-packaged sale which resulted in them receiving market value for the hotel assets.

- Any potential third party offer for the hotel assets would have had to exceeded £337m (the level of secured debt) for additional consideration to be of benefit to the unsecured creditors. Based upon the appraisal by Knight Frank this was considered extremely unlikely to be achieved.

- By virtue of its significant liabilities to its secured lender, the shares in the Group would be of limited interest to potential investors or acquirers, meaning that a share sale was unlikely to be viable. It should be noted that no offers were received for the acquisition of the shares.

- Due to the financial position of the Group, the unsecured creditors will only receive a return via the Prescribed Part. The net property which generates the Prescribed Part funding is affected by realisations from several assets categories, the majority of which by value are realisations outside of the sale process (being cash at bank and debtor realisations). The most significant floating charge assets which provide funds for the Prescribed Part are the plant and machinery and these were sold at the value advised by Hilco (as noted in further details below). The Joint Administrators are therefore content that fair value was achieved for the assets thus maximising the return to unsecured creditors.

- The employment of over 2,400 employees and all rights and benefits associated with their employment would continue, minimising both preferential and non-preferential unsecured creditor claims.

- The businesses would continue to trade thus mitigating the risk of future event cancellations and the risk of claims being made for unreturned deposits (c£3.9m). Continuity of trade would also lead to enhanced debtor collections (book debt ledger at appointment of c£7.5m).

Consultation with stakeholders

As noted above, the new director took steps to engage with HMRC in respect of the outstanding PAYE and VAT liabilities, given that HMRC is a significant unsecured creditor of the Group. The Group also engaged Duff & Phelps to discuss a deferral agreement with regard to the outstanding amounts, whilst the Standstill Agreement was in effect. However, as noted previously HMRC issued a 'warning of winding up' letter to the Group (excluding UK Hotels (Finance) Plc) which was received on 15 August 2014. Duff & Phelps continued to liaise directly with HMRC in the following period with regard to the Group's intentions and notified them of the Director's decision to file notices of intention to appoint Administrators.

The Joint Administrators of UKGHP met with the directors of The Hotel Corporation plc ("THC plc"), which is the holder of 49.9% of the ordinary shares in UKGHP and also 49.9% of the bonds in UK Hotels (Finance) plc ("UKHFP"), on 7 August 2014. THC plc noted that they were not able to offer any restructuring or refinancing proposals of their own.

It should be noted that the bonds issued by UKHFP were subordinated to the indebtedness of LSREF. The only significant asset of UKHFP is a debtor due from UKGHP which was unable to pay that debt due to its insolvency. In any event, if UKHFP was able to recover any sums from UKGHP these sums would be paid to LSREF in advance of any repayment of the bonds. Furthermore, the bonds cannot be redeemed until LSREF has been repaid in full.

A list of all securities registered against the Group and the dates the securities were granted is attached at Appendix 4.

- **Marketing of the businesses and assets**

The Joint Administrators did not actively market the Group's businesses or assets for sale prior to the appointment. This decision was based on the below factors:

1. The total sum of the valuation of the Group's hotel assets, detailed below, represented a significant shortfall in respect of the Group's secured debt due to LSREF of c£337m and unsecured bonds of £44m (including interest) and it was considered extremely unlikely that any party would be willing to pay substantially over the market valuation in order to acquire these assets.

2. LSREF, the Group's largest creditor, was supportive of a pre-packaged sale which would reduce the risk of diminution in value of the business and effectively the value of their security. They also confirmed their ability to fund the purchase of the assets via a new corporate structure.

3. It was considered that an active marketing campaign would incur substantial further pre Administration professional costs which would ultimately lead to a reduction in the amounts available to be distributed to the Group's secured lender and non-preferential unsecured creditors via the Prescribed Part.

Notwithstanding the lack of active marketing, 14 parties made enquiries regarding the Group following the appointment of UKGHP on 4 August 2014. However, no offers were received.

In addition, the Joint Administrators understand that the Group's debt was actively marketed for sale in early 2014 as part of the liquidation of IRBC, which resulted in the purchase of the debt by LSREF.

- **Valuation of the businesses and assets**

Hotels - Property

Knight Frank LLP ("Knight Frank"), an independent global real estate consultancy firm, was instructed to undertake a desktop valuation of the 21 hotels within the Group on 7 August 2014. Knight Frank confirmed that it is an independent party. Knight Frank had previously undertaken independent valuations of the property portfolio for the Group in December 2013 and for a potential third party acquirer in February 2014.

Knight Frank delivered its final report on 22 August 2014. The report provided a valuation for all 21 hotels totalling £248,800,000 in normal market conditions and a valuation totalling £218,100,000 under the special assumption that the individual hotels/operating entities had been placed into Administration. The report was delivered by a RICS registered valuer. The rational for the bases of the valuations was to obtain a market value under normal market conditions and determine the effect of Administrations on same.

Further details regarding the valuation of each individual hotel/legal entity is detailed below in the 'transactions' section.

Hotels – Contents and chattels

Hilco Valuation Services ("Hilco"), an independent global valuation firm, was instructed to undertake a desktop valuation of the chattel assets located within the Group's 21 hotels on 8 August 2014. Hilco confirmed that it is an independent party and has had no prior involvement with the Group.

Hilco delivered its final report on 1 September 2014. The report provided an in-situ market valuation totalling £6,618,000 and an ex-situ market valuation totalling £1,672,000. The report was delivered by a RICS registered member. The basis of the valuations is market value for both in-situ and ex-situ values. The rationale for the bases of the valuations was to obtain an in-situ market value and determine the effect if the hotels ceased to trade and the assets were sold piecemeal.

Further details regarding the valuation of the chattel assets located at each individual hotel/legal entity is detailed below in the 'transactions' section.

- **Transactions**

A number of sale transactions were executed by the Joint Administrators to the Purchaser shortly following their appointment as Joint Administrators on 11 September 2014.

The sale consideration for the transactions totalled £256,326,826. The assets acquired and the apportionment of the sale consideration is summarised at Appendix 3.

The sale consideration was payable in full on completion and there was no deferred consideration. However, as the Group's secured lender, LSREF, is also the secured lender to the Purchaser, no cash sums were paid to the Joint Administrators. Therefore, there was a deemed payment of £256,326,826 from the Purchaser to the Joint Administrators on 11 September 2014 and corresponding deemed fixed and floating charge distributions to the secured lender totalling £256,326,826 on 11 September 2014.

However, based on other realisable assets, adequate provision has been made for the Prescribed Part and the unsecured creditors have not been prejudiced by these settlement mechanics.

There are no options or buy-back agreements as part of the sale contract. There were no conditions attached to the sale.

- **Purchaser and Related Parties**

The names of the individual purchasers are outlined at Appendix 3 together with details of the transaction. The individual purchasers are newly incorporated entities set up specifically to acquire the Group's businesses and assets.

LSREF is the secured lender to the Purchaser and is also the secured lender to the Group.

There is no common ownership of the Purchaser and the Group, nor are there any common directors.

None of the Group's directors or former directors were or remain employees or directors of the Purchaser from 11 September 2014.

The directors of the Group had not provided any personal guarantees to the secured lender.

- **Statutory Purpose**

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

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

The first objective was not achieved as there were insufficient funds and assets available to enable the Group to be rescued as a going concern.

The Joint Administrators are pursuing the second objective and it is likely that a better result for the Group's creditors as a whole will be achieved than if the Group were wound up without first being in Administration for the following reasons:

- If the Group had been wound up, it is likely that the value of the Group's assets would have been significantly impeded.
- Due to the continuation of trading, the sale of the Group's businesses and assets to the Purchaser will generate enhanced returns compared to a scenario in which the Group had been immediately wound up. This will allow for greater returns to the secured creditors and allow the Joint Administrators to pay a dividend to the non-preferential unsecured creditors, via the Prescribed Part.
- Book debt collections will be enhanced by the continuity of service to customers provided by the Purchaser.
- The Purchaser has agreed to honour bookings placed pre-Administration which will minimise non-preferential unsecured claims.
- If the Group had been wound up, it is likely that the employees would have been made redundant resulting in an increase in both preferential and non-preferential unsecured claims.

The third objective will also be achieved for most entities in the Group as distributions will be paid to the secured creditor in respect of most of the Administrations.

Consequently the transaction is expected to enable the statutory purpose of an Administration to be achieved.

The Joint Administrators consider that the outcome achieved was the best reasonably obtainable in all of the circumstances.

Appendix 3

SELLERS	Stirling Highland Hotel Limited	Scottish Highland Hotels Limited	Carlton Hotel (Edinburgh) Limited	Furlong Cotswolds Limited	Old Ship Hotel (Brighton) Limited
Fixed charge - Assets acquired as part of SPA	£	£	£	£	£
Hotel	7,100,000	14,200,000	37,800,000	15,500,000	14,200,000
IPR / business name	1	0	0	0	0
	7,100,001	**14,200,000**	**37,800,000**	**15,500,000**	**14,200,000**
Floating charge - Assets acquired as part of SPA					
Stock	18,432	63,676	33,412	31,162	27,167
Plant and machinery	218,000	557,000	343,000	596,000	283,000
Motor vehicles	0	0	0	0	0
Cash float	2,200	6,380	4,480	1,975	3,820
Business rights, customer contracts, transferred records and residual assets	4	8	4	4	4
	238,636	**627,064**	**380,896**	**629,141**	**313,991**
Total sale consideration	**7,338,637**	**14,827,064**	**38,180,896**	**16,129,141**	**14,513,991**
PURCHASERS	Hotel Collection Hotel No. 13 Limited	Hotel Collection Hotel No. 15 Limited Hotel Collection Hotel No. 14 Limited	Hotel Collection Hotel No. 2 Limited	Hotel Collection Hotel No. 10 Limited	Hotel Collection Hotel No. 8 Limited

SELLERS	Combe Grove Manor Hotel & Country Club Limited	Paramount Hotels Limited	Furlong Hotels Limited	Paramount Hotels (Daventry) Limited	Paramount Hotels (Hinckley) Limited
Fixed charge - Assets acquired as part of SPA	£	£	£	£	£
Hotel	6,400,000	86,600,000	7,400,000	6,100,000	30,400,000
IPR / business name	0	75,434	0	0	0
	6,400,000	**86,675,434**	**7,400,000**	**6,100,000**	**30,400,000**
Floating charge - Assets acquired as part of SPA					
Stock	20,537	274,572	27,803	23,495	56,622
Plant and machinery	155,000	2,613,000	194,000	301,000	689,000
Motor vehicles	0	112,000	0	0	0
Cash float	1,150	29,550	1,875	1,970	7,240
Business rights, customer contracts, transferred records and residual assets	4	32	4	4	4
	176,691	**3,029,154**	**223,682**	**326,469**	**752,866**
Total sale consideration	**6,576,691**	**89,704,588**	**7,623,682**	**6,426,469**	**31,152,866**
PURCHASERS	Hotel Collection Hotel No. 20 Limited	Hotel Collection Hotel No. 7 Limited Hotel Collection Hotel No. 19 Limited Hotel Collection Hotel No. 3 Limited Hotel Collection Hotel No. 9 Limited Hotel Collection Hotel No. 4 Limited Hotel Collection Hotel No. 17 Limited Hotel Collection Hotel No. 18 Limited Hotel Collection Hotel No. 6 Limited Hotel Collection Services Limited	Hotel Collection Hotel No. 11 Limited	Hotel Collection Hotel No. 12 Limited	Hotel Collection Hotel No. 1 Limited Hotel Collection Services Limited

SELLERS	Paramount Hotels (Basingstoke) Limited	Paramount Hotels Walton Hall Limited	Paramount Hotels Sevices Limited	TOTAL
Fixed charge - Assets acquired as part of SPA	£	£	£	£
Hotel	5,300,000	17,800,000	0	**248,800,000**
IPR / business name	0	0	0	**75,435**
	5,300,000	**17,800,000**	**0**	**248,875,435**
Floating charge - Assets acquired as part of SPA				
Stock	21,498	56,140	0	**654,518**
Plant and machinery	242,000	427,000	0	**6,618,000**
Motor vehicles	0	0	0	**112,000**
Cash float	3,150	3,000	0	**66,790**
Business rights, customer contracts, transferred records and residual assets	4	4	3	**83**
	266,652	**486,144**	**3**	**7,451,391**
Total sale consideration	**5,566,652**	**18,286,144**	**3**	**256,326,826**
PURCHASERS	Hotel Collection Hotel No. 16 Limited	Hotel Collection Hotel No. 5 Limited	Hotel Collection Services Limited	

Appendix 4

Chargor (s)	Date Security Granted	Description of Security
UK Group of Hotels Plc, Paramount Hotels Group Limited, Paramount Hotels Holdings Limited, Paramount Hotels Investments Limited, Paramount Hotels Limited, Paramount Hotels Services Limited, Old Ship Hotel (Brighton) Limited, Stirling Highland Hotel Limited, Scottish Highland Hotels Limited and Carlton Hotel (Edinburgh) Limited	12 July 2004	Debenture
Paramount Hotels (Basingstoke) Limited	14 January 2005	Debenture
Paramount Hotels (Daventry) Limited	14 January 2005	Debenture
Paramount Hotels (Hinckley) Limited	14 January 2005	Debenture
UK Group of Hotels Plc	14 January 2005	Supplemental Debenture
Scottish Highland Hotels Limited	13 July 2005	Supplemental Legal Charge
Furlong Hotels Limited, Furlong Cotswolds Limited, Combe Grove Manor & Country Club Limited and The Lygon Arms Hotel Limited	09 December 2005	Debenture
UK Group of Hotels Plc	09 December 2005	Supplemental Debenture
Paramount Hotels Walton Hall Limited	06 September 2007	Debenture
UK Hotels (Guernsey) Limited	23 August 2007	Debenture
Paramount Hotels Limited	10 December 2010	Deed of Assignment
Paramount Hotels Limited	23 December 2010	Deed of Assignment
UK Group of Hotels Plc	16 December 2011	Supplemental Deed of Assignment
UK Group of Hotels Plc	03 April 2012	Supplemental Deed of Assignment
Stirling Highland Hotel Limited and Carlton Hotel (Edinburgh) Limited	03 April 2012	Debenture
Carlton Hotel (Edinburgh) Limited	12 July 2004	Floating Charge
Scottish Highland Hotels Limited	12 July 2004	Floating Charge
Stirling Highland Hotel Limited	12 July 2004	Floating Charge
Carlton Hotel (Edinburgh) Limited	20 July 2004	Standard Security
Scottish Highland Hotels Limited	20 July 2004	Standard Security
Stirling Highland Hotel Limited	20 July 2004	Standard Security
Carlton Hotel (Edinburgh) Limited	07 July 2009	Deed of Confirmation
Scottish Highland Hotels Limited	07 July 2009	Deed of Confirmation
Stirling Highland Hotel Limited	07 July 2009	Deed of Confirmation
UK Group of Hotels Plc	16 December 2011	Security Interest Agreement
UK Group of Hotels Plc	03 April 2012	Security Interest Acknowledgement
UK Group of Hotels Plc	28 June 2013	Security Interest Acknowledgement

Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
UK Hotels (Finance) Plc	05154151

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6118 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

Tel: +44 (0) 20 7089 4700

When you have completed and signed this form please send it to the Registrar of Companies at:
Companies House, Crown Way, Cardiff, CF14 3UZ **DX 33050 Cardiff**

Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Paramount Hotels Services Limited	03079287

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6123 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

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Rule 2.27 **Form 2.12B**

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Furlong Cotswolds Limited	04768192

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6117 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

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Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Old Ship Hotel (Brighton) Limited	00025785

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6106 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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Duff & Phelps Ltd.
The Shard
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Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Combe Grove Manor Hotel & Country Club Limited	01976443

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6109 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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Rule 2.27

Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Paramount Hotels Limited	02940925

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6116 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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Duff & Phelps Ltd.
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Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Furlong Hotels Limited	00809652

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6107 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

Tel: +44 (0) 20 7089 4700

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Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Paramount Hotels (Daventry) Limited	05314294

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6103 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

Tel: +44 (0) 20 7089 4700

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Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Paramount Hotels (Hinckley) Limited	05314309

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6119 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

Tel: +44 (0) 20 7089 4700

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Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Paramount Hotels (Basingstoke) Limited	05314316

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6110 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2104

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

Tel: +44 (0) 20 7089 4700

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Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Paramount Hotels Walton Hall Limited	05379172

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6121 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Paramount Hotels Group Limited	03612017

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6111 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

Tel: +44 (0) 20 7089 4700

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ **DX 33050 Cardiff**

Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Paramount Hotels Investments Limited	03812646

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6108 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

Tel: +44 (0) 20 7089 4700

When you have completed and signed this form please send it to the Registrar of Companies at:
Companies House, Crown Way, Cardiff, CF14 3UZ **DX 33050 Cardiff**

Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
Paramount Hotels Holdings Limited	03533651

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6113 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

Tel: +44 (0) 20 7089 4700

When you have completed and signed this form please send it to the Registrar of Companies at:
Companies House, Crown Way, Cardiff, CF14 3UZ **DX 33050 Cardiff**

Rule 2.27 Form 2.12B

The Insolvency Act 1986

Notice of administrator's appointment

Name of Company	Company number
The Lygon Arms Hotel Limited	03669276

In the High Court of Justice Chancery Division Companies Court London (full name of court)	*For court use only* 6114 of 2014

(a) Insert full name(s) and address(es)

We Paul Williams, David Whitehouse and Paul Clark
Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

give notice that we were appointed as Joint Administrators of the above company on:

(b) Insert date

(b) 11 September 2014

Signed _____

Dated 15/9/2014

Joint Administrators IP Nos. 9294, 8699 and 8570

Contact Details:

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

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London, SE1 9SG

Tel: +44 (0) 20 7089 4700

When you have completed and signed this form please send it to the Registrar of Companies at:
Companies House, Crown Way, Cardiff, CF14 3UZ **DX 33050 Cardiff**

Rule 2.19 Form 2.11B(Scot)

The Insolvency Act 1986

Notice of administrator's appointment

Pursuant to paragraph 46 of Schedule B1 to the Insolvency Act 1986 and Rule 2.19 of the Insolvency (Scotland) Rules 1986

Name of Company	Company Number
Stirling Highland Hotel Limited	SC111734

I/We (a) Paul David Williams, (b) Paul John Clark and (c) David John Whitehouse of Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London, SE1 9SG.

give notice that *~~I was~~ / we were appointed as administrator(s) of the above company on.

(c) Insert full name(s) and address(es)

(b) 11 September 2014

and attach a copy of the ~~administration order~~ / notice of appointment.

Signed _____

Dated 15/9/2014

Joint Administrators (IP No(s) Paul David Williams: 9294, Paul John Clark: 8570 and David John Whitehouse: 8699)

Contact Details:

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

	Tel
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House receipt date barcode

Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF
DX 235 Edinburgh / LP 4 Edinburgh-2

Rule 2.16 | The Insolvency Act 1986 | Form 2.8B(Scot)

Notice of appointment of an administrator by company or director(s)

(Where a notice of intention to appoint has been issued)

Pursuant to paragraphs 22 and 29 of Schedule B1 to the Insolvency Act 1986 and Rule 2.16 of the Insolvency (Scotland) Rules 1986

Name of Company	Company number
Stirling Highland Hotel Limited	SC111734

(a) Name and address of holder of registered office of the company

*Delete as applicable

1. Notice is given that, in respect of (a) Stirling Highland Hotel Limited, having its registered office at 15 Atholl Crescent, Edinburgh, EH3 8HA ("the company")

the sole director of the company ("the appointor") hereby appoints

(b) Give name(s) and address(es) of administrator(s)

(b) Paul John Clark and Paul David Williams both of Duff & Phelps Ltd, The Shard, 32 London Bridge Street, London, SE1 9SG and David John Whitehouse of Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW

as administrator(s) of the company.

2. The amount of the company's share capital paid up or credited as paid up is £500,000.00.

*Delete as applicable

3. The statement(s) of the proposed administrator(s) are attached.

4. The appointor is entitled to make an appointment under paragraph 22 of Schedule B1 to the Insolvency Act 1986.

5. The appointment is in accordance with Schedule B1 to the Insolvency Act 1986.

*Delete as applicable

6. The company is not an insurance undertaking/a credit institution/an investment undertaking providing services involving the holding of funds or securities for third parties/a collective investment undertaking under Article 1.2 of the EC Regulation.

(c) State whether main, secondary or territorial proceedings

7. For the following reasons it is considered that the EC Regulation will apply. If it does, these proceedings will be (d) main proceedings as defined in Article 3 of the Regulation: "Administration" is listed in Annex A of the EC Regulation, being "insolvency proceedings" as referred to in Article 1 of the EC Regulation. The company has its registered office in Scotland, the company's centre of main interest is in the UK and the company does not fall within one of the excepted categories.

8. Where there are joint administrators, a statement for the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 is attached.

9. The appointor has given at least five business days' written notice of the intention to appoint in accordance with paragraph 26(1) of Schedule B1 to the Insolvency Act 1986 and a copy of that notice was lodged in The Court of Session, Parliament House, Parliament Square, Edinburgh, EH1 1RQ (court) on 11 SEP 2014

(d) Insert date

(d) 1 SEPTEMBER 2014

(e) Insert name and address of person making declaration

10. I(e) Declan McKelvey of 1 Melrose Court, Lincoln Road, Wilmslow, Cheshire, SK9 2HD

(If making the declaration on behalf of appointor indicate capacity e.g. director/solicitor)

do solemnly and sincerely declare that–

(i) the information provided in this notice; and
(ii) the statement made and information given in the notice of intention to appoint,

are, and remain, to the best of my knowledge and belief, true,

AND I making this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG

Signed Declan McKelvey

This 9th day of September 2014

before me **Rachel Alexandra Brown, Solicitor**

A Notary Public or Justice of the Peace or Solicitor

RBM

DRUCES LLP
SALISBURY HOUSE
LONDON WALL
LONDON EC2M 5PS

(f) Insert date and time

Endorsement to be completed by the court

This notice was lodged on (f) 11th September 2014 at 4:30pm

K. Reid

11 SEP 2014

Rule 2.19 Form 2.11B(Scot)

The Insolvency Act 1986

Notice of administrator's appointment

Pursuant to paragraph 46 of Schedule B1 to the Insolvency Act 1986 and Rule 2.19 of the Insolvency (Scotland) Rules 1986

Name of Company	Company Number
Carlton Hotel (Edinburgh) Limited	**SC047923**

I/We (a) Paul David Williams, (b) Paul John Clark and (c) David John Whitehouse of Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London, SE1 9SG.

give notice that *~~I was~~ / we were appointed as administrator(s) of the above company on

(b) Insert full name(s) and address(es)

(b) 11 September 2014

and attach a copy of the ~~administration order /~~ notice of appointment.

Signed _____

Dated 16/9/2014

Joint Administrators (IP No(s) Paul David Williams 9294, Paul John Clark. 8570 and David John Whitehouse: 8699)

Contact Details:

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

	Tel
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House receipt date barcode

Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF
DX 235 Edinburgh / LP 4 Edinburgh-2

Rule 2.16 | The Insolvency Act 1986 | Form 2.8B(Scot)

Notice of appointment of an administrator by company or director(s)

(Where a notice of intention to appoint has been issued)

Pursuant to paragraphs 22 and 29 of Schedule B1 to the Insolvency Act 1986 and Rule 2.16 of the Insolvency (Scotland) Rules 1986

Name of Company	Company number
Carlton Hotel (Edinburgh) Limited	SC047923

(a) Name and address of holder of registered office of the company

*Delete as applicable

1. Notice is given that, in respect of (a) Carlton Hotel (Edinburgh) Limited, having its registered office at 15 Atholl Crescent, Edinburgh, EH3 8HA ("the company")

the sole director of the company ("the appointor") hereby appoints

(b) Give name(s) and address(es) of administrator(s).

(b) Paul John Clark and Paul David Williams both of Duff & Phelps Ltd, The Shard, 32 London Bridge Street, London, SE1 9SG and David John Whitehouse of Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW

as administrator(s) of the company.

2. The amount of the company's share capital paid up or credited as paid up is £125,000.00.

*Delete as applicable

3. The statement(s) of the proposed administrator(s) are attached.

4. The appointor is entitled to make an appointment under paragraph 22 of Schedule B1 to the Insolvency Act 1986.

5. The appointment is in accordance with Schedule B1 to the Insolvency Act 1986.

*Delete as applicable

6. The company is not an insurance undertaking/a credit institution/an investment undertaking providing services involving the holding of funds or securities for third parties/a collective investment undertaking under Article 1.2 of the EC Regulation.

(c) State whether main, secondary or territorial proceedings

7. For the following reasons it is considered that the EC Regulation will apply. If it does, these proceedings will be (d) main proceedings as defined in Article 3 of the Regulation: "Administration" is listed in Annex A of the EC Regulation, being "insolvency proceedings" as referred to in Article 1 of the EC Regulation. The company has its registered office in Scotland, the company's centre of main interest is in the UK and the company does not fall within one of the excepted categories.

8. Where there are joint administrators, a statement for the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 is attached.

9. The appointor has given at least five business days' written notice of the intention to appoint in accordance with paragraph 26(1) of Schedule B1 to the Insolvency Act 1986 and a copy of that notice was lodged in The Court of Session, Parliament House, Parliament Square, Edinburgh, EH1 1RQ (court) on

(d) Insert date

(d) 1 SEPTEMBER 2014

11 SEP 2014

(e) Insert name and address of person making declaration

10. I(e) Declan McKelvey of 1 Melrose Court, Lincoln Road, Wilmslow, Cheshire, SK9 2HD

(If making the declaration on behalf of appointor indicate capacity e.g. director/solicitor)

do solemnly and sincerely declare that–

(i) the information provided in this notice; and
(ii) the statement made and information given in the notice of intention to appoint,

are, and remain, to the best of my knowledge and belief, true,

AND I making this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG

Signed Declan McKelvey

This 9th day of September 2014

before me **Rachel Alexandra Brown, Solicitor**

A Notary Public or Justice of the Peace or Solicitor

DRUCES ...
SALISBURY HOUSE
LONDON WALL
LONDON EC2M 5PS

(f) Insert date and time

Endorsement to be completed by the court

This notice was lodged on (f) 11th September 2014 at 4:20pm

K. Tolmeel

11 SEP 2014

Rule 2.19 Form 2.11B(Scot)

The Insolvency Act 1986

Notice of administrator's appointment

Pursuant to paragraph 46 of Schedule B1 to the Insolvency Act 1986 and Rule 2.19 of the Insolvency (Scotland) Rules 1986

Name of Company	Company Number
Scottish Highland Hotels Limited	**SC055493**

I/We (a) Paul David Williams, (b) Paul John Clark and (c) David John Whitehouse of Duff & Phelps Ltd., The Shard, 32 London Bridge Street London, SE1 9SG.

give notice that ~~I was~~ / we were appointed as administrator(s) of the above company on.

(a) Insert full name(s) and address(es)

(b) 11 September 2014

and attach a copy of the ~~administration order~~ / notice of appointment.

Signed _____

Dated 15/9/2014

Joint / Administrators (IP No(s) Paul David Williams: 9294, Paul John Clark: 8570 and David John Whitehouse: 8699)

Contact Details:

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

	Tel
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF
DX 235 Edinburgh / LP 4 Edinburgh-2

Companies House receipt date barcode

Rule 2.16 | The Insolvency Act 1986 | Form 2.8B(Scot)

Notice of appointment of an administrator by company or director(s)

(Where a notice of intention to appoint has been issued)

Pursuant to paragraphs 22 and 29 of Schedule B1 to the Insolvency Act 1986 and Rule 2.16 of the Insolvency (Scotland) Rules 1986

Name of Company	Company number
Scottish Highland Hotels Limited	SC055493

(a) Name and address of holder of registered office of the company

*Delete as applicable

1. Notice is given that, in respect of (a) Scottish Highland Hotels Limited, having its registered office at 15 Atholl Crescent, Edinburgh, EH3 8HA ("the company")

the sole director of the company ("the appointor") hereby appoints

(b) Give name(s) and address(es) of administrator(s)

(b) Paul John Clark and Paul David Williams both of Duff & Phelps Ltd, The Shard, 32 London Bridge Street, London, SE1 9SG and David John Whitehouse of Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW

as administrator(s) of the company.

2. The amount of the company's share capital paid up or credited as paid up is £1,461,436.80.

*Delete as applicable

3. The statement(s) of the proposed administrator(s) are attached.

4. The appointor is entitled to make an appointment under paragraph 22 of Schedule B1 to the Insolvency Act 1986.

5. The appointment is in accordance with Schedule B1 to the Insolvency Act 1986.

*Delete as applicable

6. The company is not an insurance undertaking/a credit institution/an investment undertaking providing services involving the holding of funds or securities for third parties/a collective investment undertaking under Article 1.2 of the EC Regulation.

(c) State whether main, secondary or territorial proceedings

7. For the following reasons it is considered that the EC Regulation will apply. If it does, these proceedings will be (d) main proceedings as defined in Article 3 of the Regulation: "Administration" is listed in Annex A of the EC Regulation, being "insolvency proceedings" as referred to in Article 1 of the EC Regulation. The company has its registered office in Scotland, the company's centre of main interest is in the UK and the company does not fall within one of the excepted categories.

8. Where there are joint administrators, a statement for the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 is attached.

9. The appointor has given at least five business days' written notice of the intention to appoint in accordance with paragraph 26(1) of Schedule B1 to the Insolvency Act 1986 and a copy of that notice was lodged in The Court of Session, Parliament House, Parliament Square, Edinburgh, EH11RQ (court) on

(d) Insert date

(d) 1 SEPTEMBER 2014

11 SEP 2014

(e) Insert name and address of person making declaration

10. I(e) Declan McKelvey of 1 Melrose Court, Lincoln Road, Wilmslow, Cheshire, SK9 2HD

(If making the declaration on behalf of appointor indicate capacity e.g. director/solicitor)

do solemnly and sincerely declare that–

(i) the information provided in this notice; and
(ii) the statement made and information given in the notice of intention to appoint,

are, and remain, to the best of my knowledge and belief, true,

AND I making this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG

Signed Declan McKelvey

This 9th day of September 2014

before me **Rachel Alexandra Brown, Solicitor**

A Notary Public or Justice of the Peace or Solicitor

RAB

BRUCES LLP
SALISBURY HOUSE
LONDON WALL
LONDON EC2M 5PS

(f) Insert date and time

Endorsement to be completed by the court

This notice was lodged on (f) 11th September 2014 at 4:25pm

K. Reed

11 SEP 2014

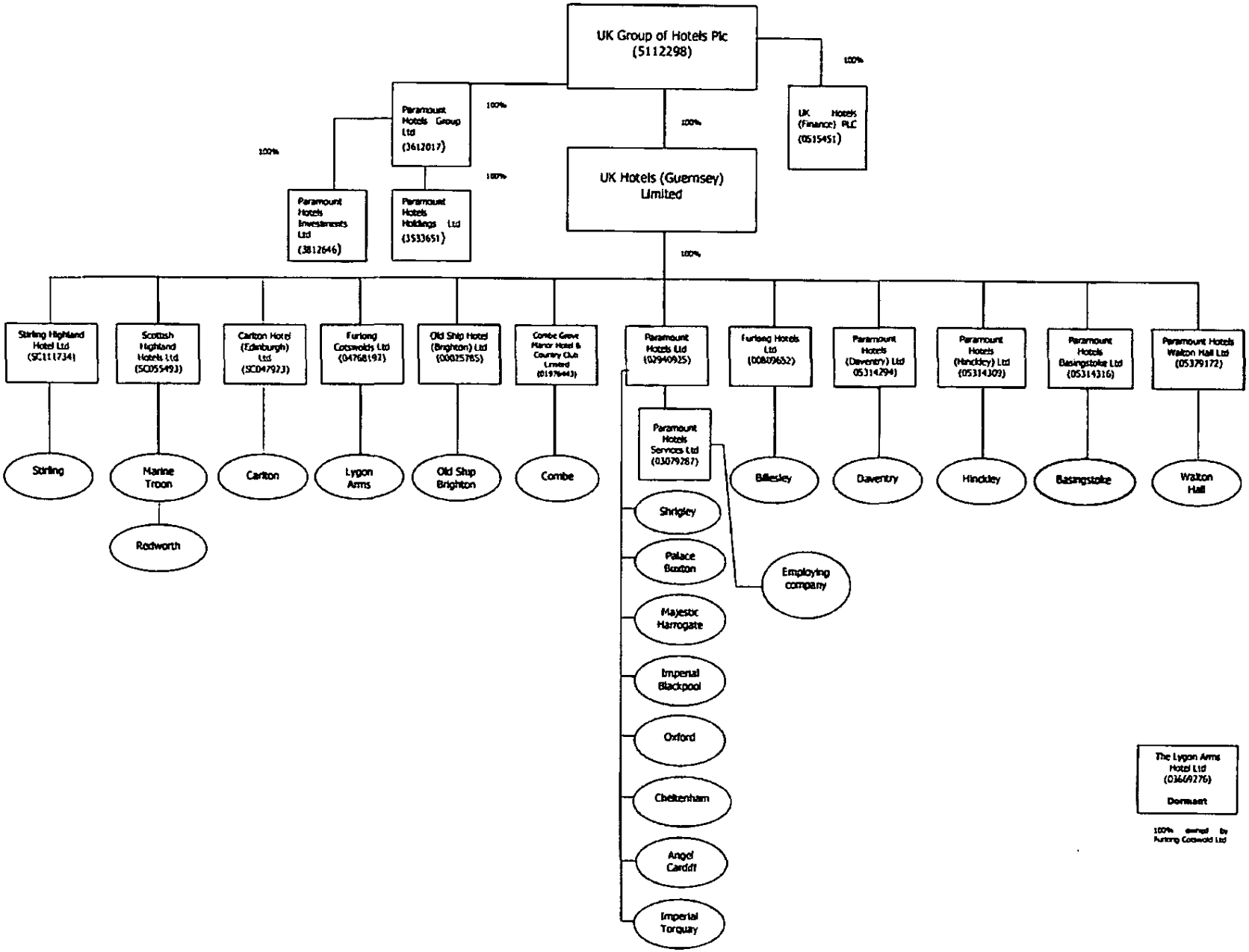
Proof of Debt – General Form

COMPANY NAME:		
	Date of Administration: 11/09/2014	
1.	Name of creditor (If a company please also give company registration number).	
2.	For correspondence: Address of creditor	
	Contact telephone number of creditor	
	Email address of creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into Administration.	
4.	Details of any documents by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the Administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting).	
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount.	£
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).	
7.	Particulars of any security held, the value of the security, and the date it was given.	
8.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
9.	Signature of creditor or person authorised to act on his behalf _____	
	Name in BLOCK LETTERS _____	
	Position with or in relation to creditor _____ Address of person signing (if different from 2 above)	

For Administrators' Use only	
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Administrator	Administrator

Appendix 8

Group Structure Chart


UK Group of Hotels Plc
(5112298)
100%
UK Hotels (Finance) PLC
(05154S1)
100%
Paramount Hotels Group Ltd
(3612017)
100%
100%
Paramount Hotels Investments Ltd
(3812646)
Paramount Hotels Holdings Ltd
(3533651)
100%
UK Hotels (Guernsey) Limited
100%
Stirling Highland Hotel Ltd
(SC111734)
Scottish Highland Hotels Ltd
(SC055493)
Carlton Hotel (Edinburgh) Ltd
(SC047923)
Furlong Cotswolds Ltd
(04768193)
Old Ship Hotel (Brighton) Ltd
(00025785)
Combe Grove Manor Hotel & Country Club Limited
(01976443)
Paramount Hotels Ltd
(02940925)
Furlong Hotels Ltd
(00809652)
Paramount Hotels (Daventry) Ltd
05314294)
Paramount Hotels (Hinckley) Ltd
(05314309)
Paramount Hotels Basingstoke Ltd
(05314316)
Paramount Hotels Walton Hall Ltd
(05379172)
Stirling
Marine Troon
Carlton
Lygon Arms
Old Ship Brighton
Combe
Paramount Hotels Services Ltd
(03079287)
Billesley
Daventry
Hinckley
Basingstoke
Walton Hall
Redworth
Shrigley
Palace Buxton
Employing company
Majestic Harrogate
Imperial Blackpool
Oxford
Cheltenham
Angel Cardiff
Imperial Torquay
The Lygon Arms Hotel Ltd
(03669276)
Dormant
100% owned by Furlong Cotswold Ltd

Appendix 9

Table of Intercompany Receivables

Appendix 9

Table of Intercompany Receivables as at 11 September 2014

	Paramount Hotels Group Limited	Paramount Hotels Limited	Old Ship Hotel (Brighton) Limited	Scottish Highland Hotels Limited	Carlton Hotel (Edinburgh) Limited	Stirling Highland Hotel Limited
Paramount Hotels Limited			33,750,367	21,966,334	13,194,381	16,191,322
UK Hotels (Guernsey) Limited		16,890				
Old Ship Hotel (Brighton) Limited				47		1,133
Carlton Hotel (Edinburgh) Limited				40,512,243		
Stirling Highland Hotel Limited				16,968,391		
Paramount Hotels (Hinckley) Limited						
Paramount Hotels (Daventry) Limited						
Paramount Hotels (Basingstoke) Limited						
Combe Grove Manor Hotel and Country Club Limited						
Paramount Hotels Walton Hall Limited		73,371,638				
Furlong Cotswolds Limited		6,532,882				
Furlong Hotels Limited						
The Lygon Arms Hotels Limited						
Paramount Hotels Services Limited						
UK Group of Hotels Plc		106,947,108	2,166,301	104,793,729	10,070,738	248,686
UK Hotels (Finance) Plc		38,623,238				
Scottish Highland Hotels Limited						
Paramount Holdings Investments Limited	137,802,281					
Paramount Hotels Holdings Limited	525,572,530			3,545,633		
Paramount Hotels Group Limited		33,407,474				
Total Receivable	**663,374,810.45**	**258,899,230.84**	**35,916,668.06**	**187,786,376.22**	**23,265,118.70**	**16,441,140.19**

	Paramount Holdings Investments Limited	Paramount Hotels Holdings Limited	UK Group of Hotels Plc	Paramount Hotels (Hinckley) Limited	Paramount Hotels (Daventry) Limited	Paramount Hotels (Basingstoke) Limited
Paramount Hotels Limited	35,011,425	171,217,534		17,104,712	6,422,284	11,260,590
UK Hotels (Guernsey) Limited						
Old Ship Hotel (Brighton) Limited	1,204,087	35,977,267		365,217	251,657	
Carlton Hotel (Edinburgh) Limited	1,900,563	3,744,150			358,746	
Stirling Highland Hotel Limited	605,290	507,332				
Paramount Hotels (Hinckley) Limited			92,004,079			
Paramount Hotels (Daventry) Limited			36,605,257			
Paramount Hotels (Basingstoke) Limited			33,140,349			
Combe Grove Manor Hotel and Country Club Limited						
Paramount Hotels Walton Hall Limited						
Furlong Cotswolds Limited				213,364		
Furlong Hotels Limited	283,273		69,967,142			
The Lygon Arms Hotels Limited				296,206		
Paramount Hotels Services Limited						
UK Group of Hotels Plc	94,035,595	301,375,665				
UK Hotels (Finance) Plc	245,640					
Scottish Highland Hotels Limited	167,939,221			1,244,360		
Paramount Holdings Investments Limited		143,513,477		214,963		
Paramount Hotels Holdings Limited				411,792	223,511	251,099
Paramount Hotels Group Limited			624,420,336			
Total Receivable	**301,225,093.23**	**656,335,424.21**	**856,137,163.01**	**19,850,613.13**	**7,256,198.49**	**11,511,689.58**

	Paramount Hotels Walton Hall Limited	Furlong Hotels Limited	Furlong Cotswolds Limited	Combe Grove Manor Hotel and Country Club Limited	The Lygon Arms Hotels Limited	Paramount Hotels Services Limited	UK Hotels (Finance) Plc
Paramount Hotels Limited		4,630,361		1,506,044		1,122,876	
UK Hotels (Guernsey) Limited							
Old Ship Hotel (Brighton) Limited							
Carlton Hotel (Edinburgh) Limited							99,954
Stirling Highland Hotel Limited	133,439						
Paramount Hotels (Hinckley) Limited							
Paramount Hotels (Daventry) Limited							
Paramount Hotels (Basingstoke) Limited							
Combe Grove Manor Hotel and Country Club Limited		8,811,975					
Paramount Hotels Walton Hall Limited							
Furlong Cotswolds Limited		44,810,383		72,760	47,894,509		
Furlong Hotels Limited							
The Lygon Arms Hotels Limited	610,440						
Paramount Hotels Services Limited							
UK Group of Hotels Plc	8,215,054		292,700	364,456			88,568,828
UK Hotels (Finance) Plc							
Scottish Highland Hotels Limited			2,084,145				
Paramount Holdings Investments Limited							
Paramount Hotels Holdings Limited	978,592	786,600		78,040			
Paramount Hotels Group Limited	118,716						80,879
Total Receivable	**10,056,241.00**	**59,039,319.58**	**2,376,845.46**	**2,021,299.57**	**47,894,509.44**	**1,122,875.52**	**88,769,660.07**

Appendix 10

Joint Administrators' Report and Statement of Proposals regarding the English and Welsh Companies

DUFF & PHELPS

Report to Creditors

27 October 2014

Combe Grove Manor Hotel & Country Club Limited
Furlong Cotswolds Limited
Furlong Hotels Limited
Old Ship Hotel (Brighton) Limited
Paramount Hotels Limited
Paramount Hotels (Basingstoke) Limited
Paramount Hotels (Daventry) Limited
Paramount Hotels (Hinckley) Limited
Paramount Hotels Walton Hall Limited
Paramount Hotels Services Limited
UK Hotels (Finance) Plc
Paramount Hotels Group Limited
Paramount Hotels Holdings Limited
Paramount Hotels Investments Limited
The Lygon Arms Hotel Limited
(All in Administration)
(together "the Group")

Joint Administrators' Report to Creditors and Statement of Proposals
for the period 11 September 2014 to 22 October 2014
Pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London
SE1 9SG

Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
Addleshaw Goddard	Addleshaw Goddard LLP, solicitors instructed by the Joint Administrators
the Appointment Date	11 September 2014, being the date of appointment of the Joint Administrators of each company in the Group
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administrations
DBIS	The Department for Business, Innovation and Skills
the Director	Declan McKelvey, the director of all of the companies in the Group
Duff & Phelps	Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG
EC Regulation	EC Regulation on Insolvency Proceedings 2000
the Group	Combe Grove Manor Hotel & Country Club Limited, Furlong Cotswolds Limited, Furlong Hotels Limited, Old Ship Hotel (Brighton) Limited, Paramount Hotels Limited, Paramount Hotels (Basingstoke) Limited, Paramount Hotels (Daventry) Limited, Paramount Hotels (Hinckley) Limited, Paramount Hotels Walton Hall Limited, Paramount Hotels Services Limited, UK Hotels (Finance) Plc, Paramount Hotels Group Limited, Paramount Hotels Holdings Limited, Paramount Hotels Investments Limited, The Lygon Arms Hotel Limited (All in Administration)
Hilco	Hilco Appraisal Europe, valuation agents instructed by the Joint Administrators
HMRC	HM Revenue and Customs
the Hotel Operating Companies	Combe Grove Manor Hotel & Country Club Limited, Furlong Cotswolds Limited, Furlong Hotels Limited, Old Ship Hotel (Brighton) Limited, Paramount Hotels Limited, Paramount Hotels (Basingstoke) Limited, Paramount Hotels (Daventry) Limited, Paramount Hotels (Hinckley) Limited, Paramount Hotels Walton Hall Limited, Paramount Hotels Services Limited (All in Administration)
the Joint Administrators	Paul David Williams, Paul John Clark and David John Whitehouse of Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG
Knight Frank	Knight Frank LLP, valuation agents instructed by the Joint Administrators
LSREF or the Secured Creditor	LSREF III Wight Limited, the holder of various charges and securities registered against the Group

the Parent Company	UK Group of Hotels plc (In Administration) (Company Number: 05112298)
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Former Directors	Peter Procopis and Michael Jourdain, the directors of the Parent Company and former directors of the Group
the Purchaser	The purchasers of the businesses and assets of the Group as detailed in Appendix 8
the Reporting Period	11 September 2014 to 23 October 2014
RPS	Redundancy Payments Service
the Rules	The Insolvency Rules 1986 (as amended)
the Scottish Companies	Carlton Hotel (Edinburgh) Limited, Scottish Highland Hotels Limited and Stirling Highland Hotel Limited (All in Administration)
The Security Trustee	Hudson Agency Services Limited
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SIP 16	Statement of Insolvency Practice 16 – Industry best practice for Insolvency Practitioners in relation to disclosure of information with respect to a 'Pre-Packaged' sale of business and/or assets
SOA	Statement of Affairs, documentation to be supplied by the Director outlining the Group's financial position as at the Appointment Date
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006

Contents

1. Introduction
2. Background
3. Events Leading up to the Administrations
4. Purpose of the Administrations
5. Progress of the Administrations to Date
6. Statement of Affairs
7. Statement of Pre-Administration Costs
8. Joint Administrators' Costs
9. Dividend Prospects / Prescribed Part
10. EC Regulation
11. Creditors' Meetings
12. End of the Administrations
13. Joint Administrators' Proposals
14. Other Matters

Appendices

1. Statutory Information
2. Receipts and Payments Accounts
3. Analyses of Time Charged and Expenses Incurred
4. Joint Administrators' Statement of Pre Administration costs
5. Statement of Affairs
6. Forms 2.21B - Creditor's Request for a Meeting
7. Proof of Debt Forms
8. Disclosure in accordance with Statement of Insolvency Practice 16 "Pre-Packaged Sales in Administrations"
9. Group Structure Chart
10. Table of Intercompany Receivables
11. Joint Administrators' Report and Statement of Proposals regarding the Scottish Companies

1. Introduction

1.1 The Joint Administrators were appointed on the Appointment Date by the Director of the Group pursuant to Paragraph 22 of Schedule B1 to the Act.

1.2 The Court References in relation to the appointments are detailed at Appendix 1.

1.3 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators may be exercised by any of the Joint Administrators.

1.4 This report sets out the circumstances leading up to the appointments of the Joint Administrators and the steps taken by them to date.

1.5 Please note that the Joint Administrators were also appointed over each of the Scottish Companies on 11 September 2014. The Joint Administrators Report and Statement of Proposals in respect of the Scottish Companies is attached at Appendix 11. Two separate reports are required as the Administrations of the Scottish Companies are undertaken in accordance with Scottish insolvency legislation. The report is appended for transparency.

2. Background

2.1 Statutory information on the Group and a summary of its financial history is included at Appendix 1.

2.2 The Group operated 17 4 star hotels in England and Wales.

2.3 The Group operated under the 'Puma Hotels' name to June 2014 when it rebranded to 'The Hotel Collection'.

2.4 The trading addresses of each of the hotels are detailed at Appendix 1. The Group's head office function was located in Hinckley, Leicestershire.

2.5 Further details regarding the background of the Group is enclosed at Appendix 8.

3. Events Leading up to the Administrations

3.1 For details of the events leading up to the Administrations, please refer to Appendix 8.

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

3.3 Subsequently, the Joint Administrators were appointed on the Appointment Date.

4. Purpose of the Administrations

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

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

4.2 In accordance with Paragraph 49(2) of Schedule B1 to the Act, the Joint Administrators note the following:

- The first objective will not be achieved in respect of any of the companies within the Group as there are insufficient funds and assets available to enable any of the companies in the Group to be rescued as a going concern.

The Hotel Operating Companies

- The Joint Administrators are pursuing the second objective as it is likely that a better result for these companies' creditors as a whole will be achieved than if they were wound up without first being in Administration for the following reasons:
  - The sale of the Hotel Operating Companies' businesses and assets to the Purchaser ensured continuation of trading which will generate enhanced returns compared to a scenario in which the companies were immediately wound up and ceased to trade. A sale will allow for greater returns to the Secured Creditor and allow the Joint Administrators to pay a dividend to the non-preferential unsecured creditors, via the Prescribed Part.
  - Book debt collections will be enhanced by the continuity of service to customers provided by the Purchaser.
  - The Purchaser has agreed to honour bookings placed pre-Administration which will reduce non-preferential unsecured claims.
  - If the Hotel Operating Companies had been wound up, the value of their assets would have been significantly diminished.
  - If the Hotel Operating Companies had been wound up, the employees would have been made redundant resulting in an increase in both preferential and non-preferential unsecured claims.
- In any event, the third objective has been achieved for all of the Hotel Operating Companies (excluding Paramount Hotels Services Limited) as distributions have been paid to the Secured Creditor in each estate.

UK Hotels (Finance) Plc, Paramount Hotels Group Limited, Paramount Hotels Investments Limited, Paramount Hotels Holdings Limited and The Lygon Arms Hotel Limited

- The second objective may not be achievable as it is unlikely that a better result for the creditors as a whole will be achieved than if the companies had been wound up without first being in Administration. However, the simultaneous appointments of the Joint Administrators over all of the companies within the Group allowed control to be exercised over all of the companies within the Group to ensure a consistent approach to dealing with all companies.
- The third objective will not be achieved as it is anticipated that there will be insufficient asset realisations to enable distributions to be paid to the Secured Creditor. Further details are set out below.

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

5. Progress of the Administrations to Date

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

The Hotel Operating Companies

Sale of Businesses and Assets

5.2 A sale of the businesses and certain assets of the 10 Hotel Operating Companies completed on 11 September 2014 shortly following the appointments. The total sale consideration was £195,980,229.

5.3 As detailed at Appendix 8, the sale consideration was payable in full on completion and there was no deferred sale consideration. However, as the Group's Secured Creditor, LSREF, is also the secured lender to the Purchaser, no cash sums were paid to the Joint Administrators. Instead, there was a deemed payment of £195,980,229 from the Purchaser to the Joint Administrators on 11 September 2014 and corresponding deemed fixed and floating charge distributions to the Secured Creditor totalling £195,980,229 on 11 September 2014.

5.4 Please note that a sale of the businesses and assets of the Scottish Companies also completed on 11 September 2014. The sale consideration was £60,346,597.

5.5 The total sale consideration for the Group was £256,326,826.

5.6 Please note that certain companies within the Group were not subject to the pre-packaged sale transaction. For a detailed breakdown of the assets realised in respect of each company within the Group and the consideration paid, please refer to Appendix 8.

5.7 Full details of the sale transaction are attached at Appendix 8. Please note that the Joint Administrators of the Parent Company were provided with a copy of a restructuring proposal addressed to the Secured Creditor from a shareholder of the Parent Company on 7 August 2014, however this was not deemed acceptable by the Secured Creditor and the Group's business was instead restructured via the pre-packaged sales described at Appendix 8.

Book Debts

5.8 The Group's book debts were excluded from the sale agreements.

5.9 As at the Appointment Date, certain companies within the Group had outstanding book debt ledgers, as set out below. The Purchaser has agreed to collect the book debts. The book debt collections for the period 11 September 2014 to 19 October 2014 are detailed below:

Company	Book Debt Ledger as at 11 September 2014	Collections for the Period 11 September 2013 to 19 October 2014	Outstanding Balance
Combe Grove Manor Hotel & Country Club Limited	125,105	(54,447)	70,657
Furlong Cotswolds Limited	289,318	(155,118)	134,200
Furlong Hotels Limited	396,346	(177,654)	218,691
Old Ship Hotel (Brighton) Limited	244,941	(157,758)	87,183
Paramount Hotels Limited	2,668,404	(1,109,703)	1,558,701
Paramount Hotels (Basingstoke) Limited	141,364	(56,571)	84,793
Paramount Hotels (Daventry) Limited	182,711	(94,955)	87,756
Paramount Hotels (Hinckley) Limited	969,815	(370,217)	599,598
Paramount Hotels Walton Hall Limited	897,985	(370,145)	527,840
	5,915,988	(2,546,569)	3,369,420

5.10 Of the £2,546,569 collected to date, it is anticipated that the net collections after Booking Agent Commission will total £2,254,883.

5.11 A total of £2,027,234 to date has been received into the Joint Administrators' accounts, as noted at Appendix 2. A further £179,577 is cash in transit and £48,072 is currently unreconciled.

5.12 The balance of the debtor collections have not yet been transferred into the Joint Administrators' bank accounts, with the collection process subject to ongoing reconciliation and review. Further information regarding book debt collections will be provided in the Joint Administrators' next report.

Cash at Bank

5.13 As at the Appointment Date, the following cash balances were held:

Company	Cash at bank as at 11 September 2014
	£
Combe Grove Manor Hotel & Country Club Limited	215,084
Furlong Cotswolds Limited	291,925
Furlong Hotels Limited	389,525
Old Ship Hotel (Brighton) Limited	369,598
Paramount Hotels Limited	11,952,288
Paramount Hotels (Basingstoke) Limited	272,167
Paramount Hotels (Daventry) Limited	301,463
Paramount Hotels (Hinckley) Limited	689,701
Paramount Hotels Walton Hall Limited	605,176

5.14 The Joint Administrators have received the above cash balances into the relevant Administration estate bank accounts.

Intercompany Book Debts

5.15 A table of intercompany book debts is attached at Appendix 10. This summarises the amounts due to the Hotel Operating Companies from other companies within the Group. The Joint Administrators have not yet completed a review of this information.

5.16 Since the Appointment Date, all of the entities that the balances are due from have been placed into Administration and these debts will rank as non-preferential, unsecured claims in the relevant Administrations. Certain of these entities may pay dividends from the Prescribed Part to their non preferential unsecured creditors (which includes the Administration estates of the Hotel Operating Companies) however, pursuant to legal advice taken by the Joint Administrators, any dividends receivable from these intercompany book debts are subordinated to LSREF until LSREF has been paid in full. Any dividends to be paid to intercompany claims will therefore be paid directly to LSREF via the Security Trustee.

Cash in Transit

5.17 The Joint Administrators are currently liaising with the Purchaser to reconcile cash in transit with the Hotel Operating Companies' merchant service providers as at the Appointment Date. Further details will be provided in the Joint Administrators next progress report.

Deposit held by Royal Bank of Scotland Plc

5.18 A £120,000 deposit is held by Royal Bank of Scotland Plc in respect of the direct debit and credit card facilities operated by the hotel operating companies. Following a full reconciliation of the accounts, the Joint Administrators will assess whether this deposit is recoverable. Further details will be provided in the Joint Administrators' next progress report.

UK Hotels (Finance) Plc, Paramount Hotels Group Limited, Paramount Hotels Investments Limited, Paramount Hotels Holdings Limited and The Lygon Arms Hotel Limited

Intercompany Book Debts

5.19 According to Appendix 10, all five of the companies are owed sums from other entities within the Group. As noted above, the entities that these balances are due from have been placed into Administration and any dividends receivable from these intercompany book debts are subordinated to LSREF until LSREF has been paid in full.

Other Assets

5.20 As illustrated in the group structure chart at Appendix 9, Paramount Hotels Group Limited owns 100% of the share capital in two companies; Paramount Hotels Investments Limited and Paramount Hotels Holdings Limited. Paramount Hotels Investments Limited and Paramount Hotels Holdings Limited were placed into Administration on 11 September 2014 and no realisable value is expected for the shares.

5.21 Prior to the Joint Administrators' appointments, Paramount Hotels Holdings Limited (together with the Parent Company) had instructed solicitors to lodge a claim against Irish Bank Resolution Corporation Limited (In Special Liquidation) with regard to the sale of various interest rate swap products. The Joint Administrators are currently liaising with their legal advisors in order to assess the merits of this claim.

5.22 The five companies have no other assets, therefore no realisations are anticipated.

Investigations

5.23 The Joint Administrators' investigations into the Group's affairs are currently ongoing.

5.24 The Joint Administrators have a statutory obligation to file a separate report in respect of each individual company within the Group with DBIS regarding the conduct of the directors that held office in the three years prior to the Administrations. The reports must be filed within six months from the Appointment Date and the content of the reports are confidential.

5.25 The Joint Administrators also have a duty to investigate antecedent transactions which include:

- Transactions at an undervalue, Section 238 of the Act;
- Preferences, Section 239 of the Act; and
- Transactions to defraud creditors, Section 423 of the Act.

5.26 The Joint Administrators invite creditors to bring to their attention any information concerning the affairs of the Group, or any company within the Group, which they believe should be taken in to consideration during their investigations.

Receipts and Payments Accounts

5.27 Receipts and payments accounts for all of the companies within the Group are provided at Appendix 2.

Joint Administrators' Agents and Solicitors

5.28 Details of the agents and solicitors engaged by the Joint Administrators to assist them with the affairs of the Group can be found at Appendix 4.

5.29 The Joint Administrators' choice of those instructed was based on their perception of the ability and experience to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Administrators' fee arrangements with them.

6. Statement of Affairs

6.1 In accordance with Paragraph 47 of Schedule B1 to the Act, the Joint Administrators have requested and received a SOA for each company within the Group from the Director. Please refer to Appendix 5 for the SOA for each company.

6.2 Some creditors' amounts shown may differ from the actual amount owed. This does not affect their ability to claim a different amount.

7. Statement of Pre-Administration Costs

7.1 Pre-Administration costs are defined in the Rules as fees, charges and expenses incurred by the administrators or their firm, or another person qualified to act as an insolvency practitioner, before a company entered administration, but with a view to it doing so.

7.2 The time costs incurred by Duff & Phelps in relation to advising the Group on its financial position and insolvency options and taking the necessary steps to place the Group into Administration total £557,490. The costs were incurred by reference to engagement letters detailed at paragraphs 7.3 and 7.4 below.

7.3 Duff & Phelps was engaged by LSREF in accordance with an engagement letter dated 16 May 2014 to provide restructuring advice and options analysis to LSREF. Duff & Phelps was paid £65,000 plus disbursements by LSREF for this advice. The time costs incurred for this advice totalled £152,534.

7.4 In addition, Duff & Phelps was engaged by the Hotel Operating Companies, UK Hotels (Finance) Plc and the Scottish Companies in accordance with an engagement letter dated 11 August 2014 to provide advice with regard to a debt restructuring. Duff & Phelps was paid £200,000 plus VAT and disbursements by the Group for this advice. The time costs incurred for this advice totalled £404,956.

7.5 A breakdown of the Pre-Administration time costs of Duff & Phelps, as defined in Rule 2.33(2A) of the Rules, is attached at Appendix 3.

7.6 The Joint Administrators' agents and solicitors have incurred expenses in relation to the sale of the Group's businesses and certain assets and assisting with the steps required to place the Group into Administration, as detailed at Appendix 4. To date, no payments have been made in respect of these costs.

7.7 The Joint Administrators confirm that payment of the unpaid pre-Administration costs, as an expense of the relevant Administration, is subject to approval under Rule 2.67A of the Rules, and is not part of the Proposals subject to approval under Paragraph 53 of Schedule B1 to the Act. The amounts subject to approval are confirmed at Appendix 4. Approval for this basis is to be sought from the Secured Creditor in respect of each company within the Group except for UK Hotels (Finance) Plc where approval will be sought from the non-preferential, unsecured creditors of UK Hotels (Finance) Plc.

8. Joint Administrators' Costs

8.1 In accordance with Rule 2.106 of the Rules, it is proposed that the basis upon which the Joint Administrators' remuneration should be fixed is by reference to the time properly given by them and their staff in attending to matters arising in the Administrations. Approval for this basis is to be sought from the Secured Creditor in respect of each company within the Group except for UK Hotels (Finance) Plc where approval will be sought from the non-preferential, unsecured creditors of UK Hotels (Finance) Plc.

8.2 The Joint Administrators' total time costs in respect of all of the companies within the Group for the Reporting Period total £195,938.50. These time costs are analysed individually for each company at Appendix 3.

8.3 To date, no remuneration has been drawn by the Joint Administrators.

8.4 Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work in respect of the Group, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at http://www.duffandphelps.com/uk-restructuring/creditor-guides. Should you require a copy, please contact this office.

9. Dividend Prospects / Prescribed Part

All companies within the Group except for UK Hotels (Finance) Plc

Secured Creditors

9.1 On 16 May 2014 LSREF acquired debts owed by the Group to Irish Bank Resolution Corporation Limited (In Special Liquidation) and took an assignment of all of the rights under the associated security which confers fixed and floating charges over all of the assets of the Group (excluding UK Hotels (Finance) Plc). All of the companies within the Group (excluding UK Hotels (Finance) Plc) cross-guaranteed the LSREF debt. A list of all securities registered against the Group is enclosed at Appendix 8.

9.2 As at 29 August 2014, the Group's indebtedness to LSREF was £327,520,160, subject to accruing interest, charges and costs.

9.3 As noted at Appendix 8 and paragraph 5.3 above, deemed fixed and floating charge distributions totalling £195,980,229 were made to the Secured Creditor on 11 September 2014.

9.4 Further floating charge distributions have been made to LSREF totalling £11,999,985 from Paramount Hotels Limited.

9.5 It is anticipated that there will be insufficient asset realisations to repay LSREF in full. Each company within the Group is unable to repay the full amount of the cross-guaranteed debt to LSREF in full.

Preferential Creditors

9.6 Paramount Hotels Services Limited had circa 2,400 employees as at the Appointment Date. None of the other companies within the Group had any employees.

9.7 Following the sale of the businesses and assets of the Group, the employees of Paramount Hotels Services Limited were transferred pursuant to TUPE to Hotel Collection Services Limited. Accordingly, it is anticipated there will be no preferential claims in relation to the employees of Paramount Hotels Services Limited.

9.8 It is anticipated that there will be no preferential claims in relation to all of the companies within the Group.

Prescribed Part

9.9 The Prescribed Part is calculated as a percentage of net property, as follows:-

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential unsecured creditors would be disproportionate to the benefits
Net property greater than £10,000:	50% up to £10,000 plus 20% thereafter to a maximum of £600,000.

9.10 LSREF's security is dated post 15 September 2003 and therefore the Prescribed Part applies.

9.11 It is anticipated that there will be sufficient asset realisations to enable distributions to be made from the Prescribed Part to the non-preferential unsecured creditors from the below Administration estates:

Combe Grove Manor Hotel & Country Club Limited
Furlong Cotswolds Limited
Furlong Hotels Limited
Old Ship Hotel (Brighton) Limited
Paramount Hotels Limited
Paramount Hotels (Basingstoke) Limited
Paramount Hotels (Daventry) Limited
Paramount Hotels (Hinckley) Limited
Paramount Hotels Walton Hall Limited

9.12 It is anticipated that there will be insufficient asset realisations to enable distributions to be made from the Prescribed Part to the non-preferential unsecured creditors of the remaining companies within the Group.

Non-Preferential Unsecured Creditors

9.13 It is anticipated that there will be insufficient asset realisations to enable a distribution to the non-preferential unsecured creditors in respect of all of the companies within the Group, other than from the Prescribed Part in certain estates as noted at paragraph 9.11 above.

9.14 Creditors of the companies listed at paragraph 9.11 above should complete the appropriate proof of debt form(s) at Appendix 7 and return to the Joint Administrators. Creditors should only complete the proof of debt form(s) regarding the company / companies that their debt is due from.

UK Hotels (Finance) Plc

Secured Creditors

9.15 UK Hotels (Finance) Plc did not cross guarantee the LSREF debt and has no secured creditors.

Preferential Creditors

9.16 UK Hotels (Finance) Plc has no employees and therefore no preferential claims are anticipated.

Prescribed Part

9.17 The Prescribed Part does not apply to UK Hotels (Finance) Plc.

Non-Preferential Unsecured Creditors

9.18 The non-preferential unsecured creditors of UK Hotels (Finance) Plc are intercompany creditors and bondholders. It is anticipated that there will be insufficient asset realisations to enable a distribution to the non-preferential unsecured creditors of UK Hotels (Finance) Plc.

10. EC Regulation

10.1 It is the Joint Administrators' opinion that the EC Regulation applies and these proceedings are main proceedings as defined in Article 3 of the EC Regulation.

10.2 The centre of main interest of the Group is in England and Wales. The Administrations will therefore be conducted according to England and Wales insolvency legislation.

11. Creditors' Meetings

All companies within the Group except for UK Hotels (Finance) Plc

11.1 In accordance with Paragraph 52(1) of Schedule B1 to the Act, creditors' meetings will not be convened in respect of all of the companies within the Group, except for UK Hotels (Finance) Plc, as the Joint Administrators believe that all of the companies will have insufficient property to enable distributions to be made to non-preferential unsecured creditors, other than from the Prescribed Part in certain estates as noted in paragraph 9.11 above.

11.2 However, the Joint Administrators shall summon initial creditors' meetings, if requested to by the creditors of the companies within the Group, whose debts amount to at least 10% of the total debts of the respective companies using the prescribed Form (Form 2.21B) attached at Appendix 6, within 8 business days from the day these proposals are sent out.

11.3 Creditors are reminded that the costs of any meetings called shall be paid for by them and that deposits will be required for this purpose. These costs may be ordered to be paid as an expense of the relevant Administration if the meetings so resolve.

UK Hotels (Finance) Plc

11.4 In accordance with Paragraph 51 of Schedule B1 to the Act, a creditors' meeting will be held in respect of UK Hotels (Finance) Plc only at 11.30am on 14 November 2014 at Duff & Phelps, The Shard, 32 London Bridge Street, London SE1 9SG. Formal notice of the meeting, a proof of debt form and a proxy form will be sent by post to the creditors of UK Hotels (Finance) Plc for the purpose of this meeting.

11.5 The purpose of this meeting is to vote on the Joint Administrators' proposals as outlined in Section 13 of this report.

12. End of the Administrations

12.1 The options available to the Joint Administrators for the exit from the Administrations are as follows:

- Compulsory Liquidation
- Creditors' Voluntary Liquidation
- Company Voluntary Arrangement
- Return of control to the Director(s)
- Dissolution of Company

12.2 The Joint Administrators are continuing to review the Group's financial position and have not yet formed a view on the most likely exit route in respect of all of the companies within the Group.

12.3 However at present, the Joint Administrators are of the opinion that once all outstanding Administration matters have been satisfactorily completed, it is likely that the Joint Administrators will give notice to the Registrar of Companies that all of the companies within the Group be dissolved.

12.4 A further update in respect of the exit route of each company within the Group will be provided in the Joint Administrators' next progress report.

12.5 You will note from the proposals section below that the Joint Administrators have left the choice of exit routes from Administration open so that the appropriate strategies can be adopted, once the necessary information has been obtained and the Joint Administrators' own investigations have been completed.

13. Joint Administrators' Proposals

13.1 The Joint Administrators separately propose the following in respect of each individual company within the Group:

13.1.1 That the Joint Administrators continue the Administrations to deal with such outstanding matters in relation to the companies within the Group as the Joint Administrators consider necessary until such time as the Administrations cease to have effect.

13.1.2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administrations.

13.1.3 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 to the Act to the Registrar of Companies to the effect that the companies within the Group have no property which might permit a distribution to its creditors, at which stage the Administrations will cease.

13.1.4 In the event that the Joint Administrators do not follow 13.1.3 above, the Joint Administrators will, when it is anticipated that no better realisations will be made in the Administrations than would be available in a winding up, take the necessary steps to put the companies within the Group into either creditors' voluntary liquidation, company voluntary arrangement or into compulsory liquidation as deemed appropriate by the Joint Administrators. It is proposed that the Joint Administrators, currently Paul David Williams, Paul John Clark and David John Whitehouse of Duff & Phelps would act as Joint Liquidators should any of the companies within the Group be placed into creditors' voluntary liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 2.117A of the Rules creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.

13.1.5 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Act, upon filing the end of the Administrations or their appointments otherwise ceasing.

13.1.6 That the Joint Administrators' remuneration, where no Creditors' Committees are established, be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administrations and that they be allowed to draw such remuneration as and when the funds permit without further recourse to the creditors.

13.1.7 That the Joint Administrators be authorised to draw Duff & Phelps' internal costs, being cost of business mileage in dealing with the Administrations ("Category 2 Disbursements").

All companies within the Group except for UK Hotels (Finance) Plc

13.2 Pursuant to Rule 2.33(5) of the Rules, the proposals in paragraphs 13.1.1 to 13.1.4 above shall be deemed to be approved by the creditors of each company within the Group (except for UK Hotels (Finance) Plc), on the expiry of the period in which a meeting can be requisitioned by creditors in the manner described in paragraph 11.2 above, provided that no meeting has been so requisitioned.

13.3 The Joint Administrators will be seeking the following specific resolutions from the Secured Creditor in respect of each of the companies within the Group, (except for UK Hotels (Finance) Plc):

13.3.1 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Act, upon filing the end of the Administrations or their appointments otherwise ceasing.

13.3.2 That the Joint Administrators' remuneration, where no Creditors' Committees are established, be fixed by reference to the time properly incurred by them and their staff in attending matters during the Administrations and that they be allowed to draw such remuneration as and when funds permit without further recourse to the creditors.

13.3.3 That the Joint Administrators' statements of pre-Administration costs under Rule 2.33, where no Creditors' Committees are established, be approved for payment in accordance with Rule 2.67A.

13.3.4 That the Joint Administrators be authorised to draw Duff & Phelps' internal costs, being cost of business mileage in dealing with the Administrations ("Category 2 Disbursements").

UK Hotels (Finance) Plc

13.4 The Joint Administrators will be seeking approval of the resolutions outlined at paragraphs 13.1.1 to 13.1.7 from the non-preferential unsecured creditors of UK Hotels (Finance) Plc at the creditors' meeting on 14 November 2014 (further details of which can be found at paragraph 11.4).

14. Other Matters

14.1 If any creditor has any information concerning the Group's affairs that they would like to bring to the Joint Administrators' attention, then they would be pleased to hear from them.

14.2 If you require further information or assistance, please do not hesitate to contact Sebastien Johnson of this office.

Paul Williams
Joint Administrator

Encs.

The affairs, business and property of the Group are being managed by the Joint Administrators, Paul Williams, Paul Clark and David Whitehouse, who act as agents for the Group and without personal liability. They are licensed by the Insolvency Practitioners Association.