



THURSDAY



A92LBF80

A13

09/04/2020

#3

COMPANIES HOUSE

1 Company details

Company number 0 9 5 8 9 2 8 3

Company name in full Giant Hospitality Limited

→ Filing in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Sarah

Surname Bell

3 Administrator's address

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region Greater Manchester

Postcode M 2 1 E W

Country United Kingdom

4 Administrator's name [Ⓢ]

Full forename(s) Philip

Surname Duffy

Ⓢ Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address [Ⓢ]

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region Greater Manchester

Postcode M 2 1 E W

Country United Kingdom

Ⓢ Other administrator
Use this section to tell us about
another administrator.

AM10
Notice of administrator's progress report

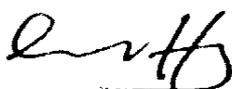
6 Period of progress report

From date	d 1 d 6	m 0 m 9	y 2 y 0 y 1 y 9	
To date	d 1 d 5	m 0 m 3	y 2 y 0 y 2 y 0	

7 Progress report

<input checked="" type="checkbox"/> I attach a copy of the progress report	
--	--

8 Sign and date

Administrator's signature	Signature X  X			
Signature date	d 0 d 8	m 0 m 4	y 2 y 0 y 2 y 0	

AM10

Notice of administrator's progress report



Presenter information

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

Contact name **Max Spolverato**

Company name **Duff and Phelps**

Address **The Chancery**

58 Spring Gardens

Post town **Manchester**

County/Region **Greater Manchester**

Postcode

	M	2		1	E	W	
--	---	---	--	---	---	---	--

Country **United Kingdom**

DX

Telephone **+44 (0) 161 827 9000**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

DUFF & PHELPS

**Progress Report to
Creditors
Giant Hospitality Limited
(In Administration)**

8 April 2020

*Joint Administrators' Progress Report for the period from 16 September
2019 to 15 March 2020*

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

Contents

1. Introduction	1
2. Creditor summary	2
3. Progress of the Administration	3
4. Outcome for Creditors	6
5. Other matters	8
6. Joint Administrators' fees and expenses and pre-Administration costs	8
7. Future strategy	9

Appendices

Appendix 1 – Statutory information	11
Appendix 2 – Approved Proposals	12
Appendix 3 – Receipts and payments account	13
Appendix 4 – Schedule of expenses	14
Appendix 5 – Analysis of time charged and expenses incurred	15
Appendix 6 – Narrative of work carried out for the reporting period	16
Appendix 7 – Statement of Creditors' rights	18
Appendix 8 – Definitions	19
Appendix 9 – Notice about this report	21

1. Introduction

The Joint Administrators were appointed on 16 September 2019 by an order of the Court.

This Progress Report provides an update on the Administration of the Company.

The Joint Administrators have also explained their future strategy for the Administration and how likely it is that they will be able to pay each class of creditor.

You will find other important information in this Progress Report such as the costs the Joint Administrators have incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

Please also note that an important legal notice about this Progress Report to Creditors is attached at Appendix 9.

2. Creditor summary

This Progress Report covers the period from 16 September 2019 to 15 March 2020.

Summary of Proposals

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

- Rescue 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 Joint Administrators are pursuing the second objective by continuing to trade and operate the Whisper Hotels brand and management functions to allow the Hotels to operate in Administration. The third objective is also likely to be achieved as it is anticipated that a distribution will be paid to one or more of the Secured Creditors of the Company.

The Joint Administrators proposals for achieving the purpose were approved by creditors using the deemed consent process.

There were no major amendments to or deviations from these Proposals.

Progress to date

Following the Appointment Date the Joint Administrators dismissed the remaining marketing and sales team as the Joint Administrators had instructed Assured Hotels to manage the day to day operations of the Hotels, the remaining three members of staff resigned.

Assured Hotels continue to operate the Hotels until such time they are sold.

Outcome for Creditors

Mysing

The Company granted Mysing fixed and floating charges over all the assets of the Company on 5 December 2018.

The charge remains outstanding at Companies House and based upon information held at the appointment date the indebtedness to Mysing is approximately £1.9m, subject to accruing interest and charges. However, the Joint Administrators are aware that five other companies within the NPD group have also granted charges to Mysing (Llandudno Bay Hotel Limited, The Old Golf House Hotel Limited, The Old Golf House Hotel Management Limited, Queens Hotels Management Limited and Belmont Hotel Limited – all in Administration).

Any available distributions to Mysing will be subject to the principles of marshalling across the estates within the NPD Group upon which it holds security (pending confirmation of the validity of the security).

Fiduciam

In consideration for monies advanced under the loan facility the Company granted Fiduciam a fixed charge over the Company's shares held in The Coach House Hotel Management Limited on 5 December 2018.

As at the appointment date the Company's indebtedness to Fiduciam was approximately £3.7m plus accruing interest and charges, however, this is subject to further verification.

It is anticipated that there will be insufficient realisations to enable a distribution to Fiduciam under its security.

Based on current information, it is unlikely that there will be sufficient realisations to enable a distribution to the preferential creditors and the non-preferential creditors of the Company, other than from the Prescribed Part, if any.

Please note, this Progress Report provides Creditors with an account of the progress of the Administration of the Company in the period. The Joint Administrators' Statement of Proposals issued to the Company's Creditors are available to view at <https://micro.duffandpHELPS.com/ukrestructuring> and paper copies can be provided free of charge by writing to Max Spolverato.

Unless otherwise stated, all amounts in this Progress Report and appendices are stated net of VAT.

3. Progress of the Administration

This section provides an update on the Joint Administrators' strategy for the Administration and progress to date.

3.1 Strategy and progress to date

Following the Appointment Date the Joint Administrators dismissed the remaining marketing and sales team as the Joint Administrators had instructed Assured Hotels to manage the day to day operations of the Hotels, the remaining three members of staff resigned and Assured Hotels continue to manage the Hotels' day to day operations.

3.2 Asset realisations

3.2.1 Interim Manager surplus

A surplus of funds from the Interim Managers' account totalling £36,709 has been transferred into the Administration bank account and is shown at Appendix 3

It should be noted that the Company's cash at bank balance, as at the Interim Managers' appointment date, is included in this total.

No further realisations are anticipated in this regard.

3.2.2 Cash at Bank

As noted above, cash at bank was transferred into the Interim Manager's account. Following the Joint Administrators' appointment, NatWest advised that a further receipt of £208 had been received after the balance had been transferred.

NatWest subsequently transferred the £208 into the Joint Administrators account as shown at Appendix 3.

3.2.3 Office equipment and furniture and fittings

The Company's management accounts noted office equipment with a value of £107k as at 31 March 2019.

Upon further review of the accounts, this balance relates to the book value of the Whisper branding and the website. An estimated to realise value has not been disclosed in order not to prejudice any future marketing and sale negotiations.

The Joint Administrators are currently marketing the branding and website with assistance of the Agents.

Following further investigations, the management accounts of the Company record furniture & fittings with a book value of c£1k, however, it is not anticipated that any realisations will be made due to the value of these assets.

Further investigations have also identified that the ITAS software with a book value of £52k is owned by the Company. The Joint Administrators in consultation with the Agents and Assured Hotels will market this software and data as part of the future sales of the Hotels.

3.2.4 Prepayments

The Company's management accounts also noted prepayments totalling £27k. These relate to credit balances with certain suppliers and no realisation is expected in this regard.

3.2.5 Inter-company debt

According to the Company's books and records, there are several outstanding debts due to the Company from associated companies. Details of the intercompany balances are shown below.

	Value (£'000)
Atlantic Bay Hotel (Woolacombe) Management Limited	27
Belmont Hotel Management Limited	65
Caer Rhun Hotel Management Limited	214
Fishguard Bay Hotel Limited	233
Gilsland Hall Limited	310
Lakeside Manor Limited	0.2
Northern Powerhouse Developments Limited	1
The Coach House Hotel Management Limited	140
The Old Golf House Hotel Limited	3
The Old Golf House Hotel Management Limited	146
Total	1,139

A number of the associated companies are in formal insolvency processes and it is uncertain whether these inter-company debts are recoverable. The Joint Administrators will lodge claims in each of the relevant estates. The Joint Administrators will pursue the remaining debts in respect of the amounts owed to the Company.

3.2.6 Investments

The management accounts for the period ending 31 March 2019 shows investments with a book value of £29,463. These are shareholdings in the following companies:

- Eden Country Spa Management Limited
- Fishguard Bay Hotel Limited
- Bracken Country House Management Limited
- Caer Rhun Hall Hotel Management Limited
- Old Gold House Hotel Management Limited
- Foxglove Hotel Management Limited

As all of the above companies are in Administration or Liquidation with the exception of Foxglove Hotel Management Limited it is not anticipated that any value would be obtained from the sale of these shares.

3.2.7 Management re-charge from operating companies

The Company has continued to provide central management functions to assist the trading of the Hotels in Administration

This has enabled the ongoing trade of the Hotels' operations including finance, human resources and payroll service.

To date £157,898 plus VAT has been received from the operating hotels for the period to 23 February 2020.

The Company has also paid IT services on behalf of the Hotels which will also shortly be re-charged to the Hotels.

It should be noted that following the recent Government announcement regarding the COVID-19 crisis all of the Hotels within the group have temporarily ceased to trade. The Joint Administrators will continue to adhere to the Government guidelines and re-open the Hotels when it is safe to do so.

3.2.8 Other assets

During the reporting period bank interest totalling £41 has been received.

3.2.9 Investigations

The Joint Administrators have a statutory obligation to file a report with DBEIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators appointment. The Joint Administrators have filed their confidential report with DBEIS regarding the conduct of the Directors of the Company. The content of this report is confidential and has been submitted to the Insolvency Practitioners Compliance Unit.

The Joint Administrators reviewed the affairs of the Company to determine the extent of any actions which could be taken against third parties to increase recoveries for Creditors. An initial assessment was made which involved collecting and analysing the books and records of the Company including the bank accounts, management accounts and considering the Directors responses to questionnaires.

The Joint Administrators' investigations into the Companies affairs are currently ongoing. The Joint Administrators cannot, at this stage, detail the nature of these investigations as it may hamper any further action that may be required. However, should any of the Companies' Creditors have information concerning the Companies' affairs that they would like to bring to the Joint Administrators' attention, please contact this office.

Investigations into NPD and all of the associated companies remain ongoing and further reports may be submitted to DBEIS following these investigations if necessary.

3.3 Costs

Payments made in the reporting period are set out in the attached receipts and payments account at Appendix 3.

Summaries of the most significant payments during the Administration are provided below:

3.3.1 Professional Fees

The Joint Administrators have incurred and paid fees in respect of the management and trading of the Hotels by Assured and further details of what has been incurred and paid is included in the receipts & payments account at Appendix 3. These costs mainly relate to the finance, marketing and HR functions.

3.3.2 IT Costs

As noted in section 3.2.7 certain IT costs have been incurred in relation to the trading of the Hotels. These costs will be re-charged to the individual hotels in due course.

3.3.3 NPD recharge for trading costs

The Company traded from the premises in Elland, West Yorkshire which were occupied by NPD, following NPD vacating the premises. the rent, service charge and insurance pertaining to these premises were paid by the Company.

3.3.4 Legal fees

The Company has paid the sum of £74,268 pursuant to legal fees for and on behalf of Caer Rhun Hall Hotel Limited which will be reimbursed by Caer Rhun Hall Hotel Limited once a sale of its property is completed.

3.3.5 Legal fees

During the period in order to assist Caer Rhun Hotel Management Limited in its trading operations the Company loaned funds to Caer Rhun Hotel Management Limited in its capacity as sole shareholder. As above the sum of £6,960 will be repaid to the Company once a sale of its property is completed.

The Company received a loan from LBHS Management Limited to support the above payment and has recently been repaid outside of the reporting period and therefore is not shown in the receipts and payments account at Appendix 3.

3.4 Schedule of expenses

The Joint Administrators have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached at Appendix 4.

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

Significant expenses incurred but not paid

Joint Administrators' time costs	£60,649	Total time costs incurred in the period is £60,649. See Appendix 5. See section 6 for further details in relation to the Joint Administrators' fees.
Legal fees Hewlett Swanson	£34,588	Hewlett Swanson has incurred legal fees in providing legal advice and assisting with the Court proceedings during the Interim Manager period and post appointment
Legal fees Addleshaw Goddard	£1,000	Addleshaw Goddard has incurred legal fees in relation to conducting the security review of Mysing's security

4. Outcome for Creditors

4.1 Secured Creditors

Mysing

The Company granted Mysing fixed and floating charges over all the assets of the Company on 5 December 2018.

The charge remains outstanding at Companies House and based upon information held at the appointment date the indebtedness to Mysing is approximately £1.9m, subject to accruing interest and charges. However, the Joint Administrators are aware that five other companies within the NPD group have also granted charges to Mysing (Llandudno Bay Hotel Limited, The Old Golf House Hotel Limited, The Old Golf House Hotel Management Limited, Queens Hotels Management Limited and Belmont Hotel Limited – all in Administration).

The Joint Administrators solicitors are reviewing the validity of the Mysing security.

Any available distributions to Mysing will be subject to the principles of marshalling across the estates within the NPD Group upon which it holds security (pending confirmation of the validity of the security).

Fiduciam

In consideration for monies advanced under the loan facility the Company granted Fiduciam a fixed charge over the Company's shares held in The Coach House Hotel Management Limited on 5 December 2018.

As at the appointment date the Company's indebtedness to Fiduciam was approximately £3.7m plus accruing interest and charges, however, this is subject to further verification. The Joint Administrators will review this security prior to any distribution to Fiduciam.

It is anticipated that there will be insufficient realisations to enable a distribution to Fiduciam under its security.

4.2 Preferential Creditors

Pursuant to the Company's records, the preferential creditors of the Company will be former employee claims in respect of arrears of wages and unpaid accrued holiday pay.

The Joint Administrators are yet to receive notification of the preferential creditors' claims, however, at this stage, it is likely that a significant element of the preferential employees' claims will be subrogated to the Secretary of State, following payment by the RPS.

Based on current information, it is unlikely that there will be sufficient realisations to enable a distribution to the preferential creditors.

4.3 Unsecured Creditors

According to the Company's books and records, non-preferential trade creditors total £98,431.

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

4.4 Prescribed part

The Company granted floating charges to the Secured Creditors and the Prescribed Part provisions will apply

The quantum and timing of the Prescribed Part distribution, if any, is currently unknown at this stage and is dependent on final asset realisations and the discharge of the costs of the Administration. A further update on the Prescribed Part distribution, if any, will be provided to creditors in future reports.

5. Other matters

5.1 Joint Administrators' receipts and payments account

A detailed receipts and payments account for the period is shown in Appendix 3 together with a cumulative account for the whole of the Administration.

5.2 Creditors' rights

Further information regarding the remuneration and disbursements of the Joint Administrators, including Creditors' rights to challenge such costs is provided at Appendix 7, Statement of Creditors Rights.

6. Joint Administrators' fees and expenses and pre-Administration costs

6.1 Fees and expenses

6.1.1 Time costs

It was proposed that the Joint Administrators' fee basis was based on time costs and remuneration will be drawn on the basis of time properly given by the Joint Administrators and their staff in accordance with the fee estimate provided in the Joint Administrators' Proposals and Duff & Phelps' usual charge-out rates for work of this nature.

Upon a review of our hourly rates, inflation and industry averages, Duff & Phelps Ltd's hourly charge out rates have been revised to reflect market rates. Rate changes will apply to all appointments held by employees of Duff & Phelps. Time is charged in 6 minute units and set out below are the hourly rates, with effect from 1 February 2020, excluding VAT:

	£
Partners	650 - 750
Managers / Directors	390 - 665
Seniors	250 - 380
Assistants / Support Staff	50 - 200

Approval of the fee basis and the Joint Administrators' Fee Estimate which totals £70,665 will now be sought from the Secured creditors. Time has been charged in six minute units. Details of the time charged for the reporting period are attached at Appendix 5.

Time costs incurred in the reporting period total £118,756 which represents £60,649 of post appointment time representing 217 hours at an average hourly rate of £280 and £58,107 of specialist investigations time representing 143 hours at an average hourly rate of £407.

Time costs have exceeded the estimate provided in the Joint Administrators' Statement of Proposals.

The time costs have exceeded the estimate due to the time spent on investigations. The fee estimate included time costs totalling £15,320 in respect of investigations. Time costs totalling £190 have been incurred in respect of financial review and investigations and CDDA reports and communication which includes the preparation and submission of the report to DBEIS. A further £58,107 has been incurred in respect of investigations which have been carried out in respect of the wider NPD investigations to identify and trace investor funds.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

6.1.2 Fees

No fees have been drawn in the reporting period and are therefore not shown in the receipts and payments account attached at Appendix 3.

6.1.3 Expenses

Details of the expenses charged for the reporting period are attached at Appendix 4. No expenses have been drawn in the reporting period.

6.1.3 Disbursements

In the reporting period, the Joint Administrators have incurred disbursements of £996 for services provided by Duff & Phelps Ltd (defined as Category 2 Disbursements in the Statement of Insolvency Practice 9).

None of these have been paid to date.

6.1.4 Additional information

Also attached at Appendix 6 is a narrative summary of the work carried out to assist Creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to Creditors.

Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is set out in Appendix 7.

6.2 Pre-Administration costs

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

Any Pre-Administration costs incurred in respect of the Company were incurred by the Interim Managers and therefore, approval of these costs has been sought from the Court accordingly.

A Court Order was obtained on 2 March 2020 which approved and fixed the Interim Managers' fees of the Company in the sum of £113,221 plus VAT. These costs are to be paid as an expense of the Administration once there are sufficient realisations.

Legal fees of £25,656 plus disbursements of £816 were also incurred during the Interim Manager period. These costs will be paid in due course.

7. Future strategy

7.1 Future conduct of the Administration

The Joint Administrators will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to:

- Finalising trading once sales of all Hotels complete,
- Paying outstanding costs of the Administration;
- Dealing with other statutory matters and duties including accounting for VAT and completing corporation tax returns.

7.2 Extension of the Administration

An Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the Creditors' consent.

Should matters not be resolved by 16 September 2020, the Joint Administrators will seek approval to extend the Administration in order to finalise outstanding matters.

7.3 Future reporting

The Joint Administrators will provide a further progress report within one month of 16 September 2020 or earlier if the Administration has been completed prior to that time.

If you require further information or assistance, please do not hesitate to contact Max Spolverato.



Philip Duffy
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators Philip Francis Duffy and Sarah Helen Bell, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1 – Statutory information

COMPANY INFORMATION

Company and trading name	Giant Hospitality Limited	
Date of incorporation	13 May 2015	
Registered Number	09589283	
Company Director(s)	Gavin Woodhouse	
Shareholders	Northern Powerhouse Developments Hotels Limited	
Trading address	Unit D2 Elland Riorges Link, Lowfields Business Park, Elland, HX5 9DG	
Registered office	Current: c/o Duff and Phelps The Chancery 58 Spring Gardens Manchester	Former: Unit D2 Elland Riorges Link, Lowfields Business Park, Elland, HX5 9DG

Any Other trading names

ADMINISTRATION INFORMATION

Administration Appointment	The Administration appointment granted in the High Court of Justice, Business and Property Courts of England and Wales 004269 of 2019
Appointor	Court
Date of Appointment	16 September 2019
Joint Administrators	Philip Francis Duffy and Sarah Helen Bell
Original purpose	Hotels and similar accommodation
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1
Current Administration expiry date	15 September 2020
Prescribed part	The Prescribed Part is applicable in this case. It has been taken into account when determining the dividend prospects for Unsecured Creditors.
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.

Appendix 2 – Approved Proposals

That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect.

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 Administration.

That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration will cease.

That the Joint Administrators, where they consider that there are funds available to be distributed to the non-preferential creditors (other than under the Prescribed Part) take the necessary steps to put the Company into either creditors' voluntary liquidation or into compulsory liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Philip Duffy and Sarah Bell of Duff & Phelps would act as Joint Liquidators should the Company be placed into creditors' voluntary liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these Proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.

Appendix 3 – Receipts and payments account

**Giant Hospitality Limited
(In Administration)
Joint Administrators' Trading Account**

Statement of Affairs £	From 16/09/2019 To 15/03/2020 £	From 16/09/2019 To 15/03/2020 £
POST APPOINTMENT SALES		
Management Charges: Hotels	157,897.69	157,897.69
	157,897.69	157,897.69
OTHER DIRECT COSTS		
Direct Labour	1,927.51	1,927.51
	(1,927.51)	(1,927.51)
TRADING EXPENDITURE		
Cash Collection Charges	230.00	230.00
Hire of Equipment	274.00	274.00
IT Costs	26,293.86	26,293.86
NPD Recharge for Trading Costs	17,135.61	17,135.61
Payroll Costs	133.42	133.42
Professional Fees	55,821.46	55,821.46
Rent re: Stockport site	2,238.00	2,238.00
Sales Commission	1,869.57	1,869.57
Staff Expenses	706.88	706.88
Staff Training	3,361.98	3,361.98
Telephone	1,121.25	1,121.25
	(109,186.03)	(109,186.03)
TRADING SURPLUS/(DEFICIT)	46,784.15	46,784.15

**Giant Hospitality Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 16/09/2019 To 15/03/2020 £	From 16/09/2019 To 15/03/2020 £
ASSET REALISATIONS		
Bank Interest Gross	41.36	41.36
Cash at Bank	207.82	207.82
Interim Manager Surplus	36,708.98	36,708.98
Loan from LBHS Management Ltd	7,444.38	7,444.38
Trading Surplus/(Deficit)	46,784.15	46,784.15
	<u>91,186.69</u>	<u>91,186.69</u>
COST OF REALISATIONS		
Legal Fees: Caer Rhun Hall Hotel Ltd	74,268.15	74,268.15
Loan to Caer Rhun Hotel Management	6,960.00	6,960.00
Statutory Advertising	87.48	87.48
	<u>(81,315.63)</u>	<u>(81,315.63)</u>
	<u>9,871.06</u>	<u>9,871.06</u>
REPRESENTED BY		
Floating/main current account		40,743.53
VAT payable		(35,956.13)
VAT Receivable		5,083.66
		<u>9,871.06</u>

Appendix 4 – Schedule of expenses

A summary of expenses incurred during the period of this report is set out below:

Schedule of Expenses	Incurred and paid in the period (£)	Incurred in the period and not yet paid (£)
Expenses		
Insurance of assets	-	15,881
Legal fees – Hewlett Swanson	-	34,588
Legal fees – Addleshaw Goddard	-	1,000
Professional fees – Assured	55,821	37,184
Hotels		
Rent paid	2,238	1,176
Total	58,059	76,241

The Joint Administrators choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and basis of their fee.

The above costs exclude VAT.

Appendix 5 – Analysis of time charged and expenses incurred

Refer to the table overleaf for a detailed breakdown on the Joint Administrators' time and cost summary in accordance with SIP 9

We have incurred the following disbursements during the reporting period.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Accommodation					
Courier and delivery costs		435			435
Meals		12			12
Postage					
Mileage				324	324
Bonding		225			225
Total		672		324	996

Please note that this table includes expenses incurred by Duff & Phelps Ltd and is therefore unlikely to reconcile with the disbursements shown in the Schedule of Expenses.

110077 GIANT HOSPITALITY LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/09/2019 to 15/03/2020

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	1.50	11.50	0.00	1.20	0.00	14.20	5,072.00	357.18
Cashiering & accounting	0.00	10.70	3.60	35.05	0.00	49.35	12,030.00	243.77
Dealings with Directors and Management	0.00	0.00	0.00	0.40	0.00	0.40	84.00	210.00
IPS set up & maintenance	0.00	0.00	0.00	0.60	0.00	0.60	69.00	115.00
Insurance	0.00	2.50	0.00	2.55	0.00	5.05	1,384.25	274.11
Statement of affairs	0.00	0.00	0.00	0.10	0.00	0.10	11.50	115.00
Statutory matters (Meetings & Reports & Notices)	1.30	3.00	13.60	36.65	0.00	54.55	12,771.25	234.12
Strategy planning & control	0.00	6.75	19.80	11.25	0.00	37.80	12,106.00	320.26
Tax Compliance / Planning	0.00	0.25	0.00	0.40	0.00	0.65	139.25	214.23
Creditors								
Communications with Creditors / Employees	0.00	0.50	0.00	6.30	0.00	6.80	1,395.00	205.15
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	4.95	0.00	4.95	904.75	182.78
Investigations								
CDDA & reports & Communication	0.00	0.00	0.00	0.30	0.00	0.30	63.00	210.00
Financial review and investigations (S238/239 etc)	0.00	0.00	0.00	1.10	0.00	1.10	126.50	115.00
Realisation of Assets								
Book debts	0.00	0.50	0.00	0.20	0.00	0.70	218.00	311.43
Hire Purchase and Lease Assets	0.00	0.00	0.00	0.25	0.00	0.25	58.75	235.00
Other Intangible Assets	0.00	1.50	0.00	0.00	0.00	1.50	502.50	335.00
Sale of business	0.00	2.80	0.00	0.00	0.00	2.80	938.00	335.00
Trading								
Trading - Accounting	0.00	14.00	0.00	0.00	0.00	14.00	5,061.25	361.52
Trading - Employees	0.00	0.00	4.90	1.05	0.00	5.95	2,087.25	350.80
Trading - Operations	0.00	14.25	1.20	0.40	0.00	15.85	5,626.75	355.00
Total Hours:	2.80	68.25	43.10	102.75	0.00	216.90		279.62
Total Fees Claimed: £	1,484.00	24,718.00	15,387.00	18,367.00	693.00		60,649.00	

Category 2 Disbursements:

106646 GIANT HOSPITALITY LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/09/2019 to 15/03/2020

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
	0.00	74.10	18.30	2.35	47.90	142.65	58,106.80	407.34
Total Hours:	0.00	74.10	18.30	2.35	47.90	142.65		407.34
Total Fees Claimed: £	0.00	38,825.52	6,423.00	643.78	12,214.50		58,106.80	

Category 2 Disbursements:

Appendix 6 – Narrative of work carried out for the reporting period

The key areas of work have been:

SIP 9 narrative for the reporting period

Administration and planning	<ul style="list-style-type: none">• Monitoring and reviewing the Administration strategy;• Briefing staff on the Administration strategy and matters in relation to workstreams;• Regular case management and reviewing of process including regular team update meetings and calls;• Meeting with management to review and update strategy and monitor progress;• Reviewing and authorising junior staff correspondence and other work;• Dealing with queries arising during the appointment;• Reviewing matters affecting the outcome of the Administration;• Allocating and managing staff/ case resourcing and budgeting exercises and reviews;• Liaising with legal advisors regarding various instructions, including agreeing content of engagement letters; and• Complying with internal filing and information recording practices, including documenting strategy decisions.
Creditors	<ul style="list-style-type: none">• Updating the list of Unsecured Creditors;• Responding to enquiries from Creditors regarding the Administration and submission of their claims;• Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records; and• Drafting progress statutory progress reports.• Providing written and oral updates to the Secured Lenders regarding the progress of the Administration and cases strategy;• Filing notice of the extension of the Administration; and
Investigations	<ul style="list-style-type: none">• Managing and reviewing the Company books and records;• Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation;• Obtaining records from third parties;• Conducting interviews with counterparties and officeholders;• Enquiring with counterparties who has raised disputes against the Company;• Reviewing pre-appointment transactions; and• Documenting investigations.
Statutory and compliance	<ul style="list-style-type: none">• Ensuring compliance with all statutory obligations within the relevant timescales;• Uploading information to the Creditors' Portal/Website.• Drafting and publishing progress reports;• Running decision procedures;• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9;• Monitoring the fees estimate; and• Monitoring the expenses estimate.

- | | |
|--------------------|---|
| Cashiering | <ul style="list-style-type: none">• Preparing statutory receipts and payments accounts;• Renewing bonding and complying with statutory requirements; |
| Asset realisations | <ul style="list-style-type: none">• Collating information from the Company's records regarding assets, specifically compiling historical Company records on motor vehicles, records of purchase and part exchange trading on the vehicles;• Liaising with finance companies in respect of assets subject to finance agreements;• Liaising with agents regarding the sale of assets;• Liaising with suppliers on retention of title claims;• Reviewing outstanding debtors and management of debt collection strategy;• Seeking legal advice in relation to book debt collections;• Communicating with landlords regarding rent, property occupation and other property issues;• Liaising with third parties regarding costs incurred;• Collecting and paying rent due on the Company's remaining premises;• Reviewing and agreeing invoices;• Reviewing costs incurred to ensure recorded accurately; and• Arranging payments to agents and solicitors in a timely manner. |
| Trading | <ul style="list-style-type: none">• Attending to supplier and customer queries and correspondence;• Reviewing invoices to ensure they correspond with the relevant purchase orders;• Raising payments to suppliers in respect of Administration costs; and• Contacting all suppliers to obtain final invoices for the trading period. |
| Tax | <ul style="list-style-type: none">• Analysing and considering the tax effects of asset sales;• Working on tax returns relating to the periods affected by the Administrator;• Analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements; and• Dealing with post appointment tax compliance. |

Appendix 7 – Statement of Creditors' rights

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)
Section or paragraph numbers refer to Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Max Spolverato at Max.Spolverato@DuffandPhelps.com.

Information for Creditors on remuneration and disbursements of Administrators

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

<https://www.duffandphelps.co.uk/-/media/assets/pdfs-international/uk/creditors-guide/administration-a-creditors-guide-to-insolvency-practitioner-fees-updated.ashx?la=en-gb&hash=007D99D0FCC2E1AAADA98AA36B09E2D94292DBA9>

(click on the document 'Administration (appointment from 1 October 2015)'. Should you require a copy, please contact this office.

Creditors' requests for further information

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

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

Creditors' right to challenge our remuneration and expenses

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

Applications by Unsecured Creditors (including the Unsecured Creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Max Spolverato at this office.

Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Appointment Date	16 September 2019 being the date of appointment of the Joint Administrators
Assured Hotels	Assured Hotels Limited, managing agents instructed to operate the subsidiaries of the Company
the Bank / NatWest	National Westminster Bank Plc. with whom the Company banked prior to the Appointment Date
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Company	Giant Hospitality Limited (In Administration) (Company Number: 09589283)
DBEIS	Department for Business, Energy & Industrial Strategy
the Director	Gavin Woodhouse the sole director of the Company
EC Regulation	EC Regulation on Insolvency Proceedings 2000
Fiduciam	Fiduciam Nominees Limited, the holder of a fixed charge over the Company's shares held in The Coach House Hotel Management Limited
the Hotels	Belmont Hotel, Caer Rhun Hotel, Fishguard Bay Hotel, Fourcroft Hotel (Tenby), Llandudno Bay Hotel & Spa, Pennine Manor Hotel, Old Gold House Hotel, Queens Hotel, Gilstand Hotel, Esplanade Hotel, Imperial Crown Hotel, Dunsmore Hall. Operational hotels being managed by the Company and its subsidiaries.
the Joint Administrators	Philip Francis Duffy and Sarah Helen Bellof Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester M2 1EW.
Mysing	Mysing Capital Limited, the holder of a fixed and floating charge over the Company's assets
NPD	Northern Powerhouse Developments Limited (In Administration) a connected company by way of common directorship
the reporting period	The period 16 September 2019 to 15 March 2020
the prescribed part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to Unsecured Creditors
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)

the Secured Creditors	Mysing and Fiduciam - The holders of a fixed and floating charge over the Company's assets
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006

Appendix 9 – Notice about this report

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

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

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

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

Philip Francis Duffy and Sarah Helen Bell are authorised to act as insolvency practitioners by the Insolvency Practitioners' Association.

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

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

