



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

1 Company details

Company number 1 0 6 4 2 6 5 9

Company name in full Norfolk Street Hotel & Residence Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Simon Thomas

Surname Barriball

3 Administrator's address

Building name/number 10 St Helen's Road

Street

Post town

Swansea

County/Region

Postcode

S A 1 4 A W

Country

4 Administrator's name ①

Full forename(s) Sandra

Surname McAlister

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 10 St Helen's Road

Street

Post town

Swansea

County/Region

Postcode

S A 1 4 A W

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 0	^d 4	^m 0	^m 3	^y 2	^y 0	^y 2	^y 2
To date	^d 0	^d 3	^m 0	^m 9	^y 2	^y 0	^y 2	^y 2

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 2	^d 7	^m 0	^m 9	^y 2	^y 0	^y 2	^y 2
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**Presenter information**

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

Contact name **Simon Thomas Barriball**

Company name
**McAlister & Co Insolvency
Practitioners Limited**

Address
**10 St Helen's Road
Swansea**

Post town
SA1 4AW

County/Region

Postcode

Country

DX

Telephone
03300563600

**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

Norfolk Street Hotel & Residence Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 04/03/2022 To 03/09/2022 £	From 04/03/2021 To 03/09/2022 £
ASSET REALISATIONS		
Freehold Land & Property	NIL	50,000.00
	NIL	50,000.00
COST OF REALISATIONS		
Agents/Valuers Fees	NIL	8,000.00
Legal Disbursements	NIL	19.00
Legal Fees	NIL	18,609.50
	NIL	(26,628.50)
	NIL	23,371.50
REPRESENTED BY		
Bank 1 Current		23,371.50
		23,371.50

**In the High Court of Justice, Business and Property Courts
Case No. CR-2021-MAN-00131**

**In the matter of
Norfolk Street Hotel & Residence Limited in Administration
("the Company")**

**Administrators' Progress Report to Creditors
Pursuant to Rule 18.6 of the Insolvency Rules 2016
for the period 4 March 2022 to 3 September 2022**

**Simon Barriball and Sandra McAlister
Joint Administrators**

Appointed 4 March 2021

**McAlister & Co Insolvency Practitioners Ltd
(formerly under HBG Insolvency Ltd)
10 St Helens Road, Swansea, SA1 4AW**

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- C. Receipts and Payments account

**In the matter of
Norfolk Street Hotel & Residence Limited in Administration
("the Company")**

**Administrators' Progress Report to Creditors
Pursuant to Rule 18.6 of the Insolvency Rules 2016
for the period 4 March 2022 to 3 September 2022**

1. Introduction

- 1.1 We were appointed as Joint Administrators of Norfolk Street Hotel & Residence Limited on 4 March 2021
- 1.2 We attach as Appendix A the relevant information as required by Rule 18.3 of the Insolvency Rules 2016.
- 1.3 Since the last report the Administrators have stopped using the HGB Insolvency Ltd trading style and reverted to McAlister & Co Insolvency Practitioners Ltd. The bonding has been amended accordingly.

2 Progress during the Reporting Period

- 2.1 Attached as Appendix C is a Receipts and Payments Account for the third 6 months of the Administration. The only realisation during the period has been the £50,000 deposit for the sale of the site.
- 2.2 As previously advised in the Administrators' Proposals ("the Proposals") dated 23 April 2021 the Company was set up to undertake the development of a hotel and residencies on land on the south side of Norfolk Street in the Baltic Triangle area of Liverpool, also known as the Epic Hotel development or Epic Hotel & Residence.
- 2.3 The Proposals also advised that in order to achieve the stated Purpose of the Administration, as set out in paragraph 3(1) of Schedule B1 of the Insolvency Act 1986, it was necessary to sell the development site.
- 2.4 Our previous report stated the marketing details and confirmed that an offer from a group of investors had been accepted. For further details see our previous reports.
- 2.5 The time spent in regard to the sale of the property and the ongoing Paragraph 71 Application has meant that the Administration has had to be extended. This was done by creditors consent with a vote of creditors which completed on 1 March 2022 and consent also being received from the secured charge holders.
- 2.6 The sale necessitates an application to court under Paragraph 71 of Schedule B1 of the Insolvency Act 1986 to secure the removal of universal notices (UN1's) and charges registered against the title for the property. This application was filed with the court on 28 February 2022 (subsequently an initial hearing was held on 21 March 2022 with the final hearing set for 28 April 2022).
- 2.7 At the hearing an Order was granted that the UN1s be cancelled and vacated on the sale of the premises with the proceeds to be split as follows:
 - 2.7.1 Administrators costs totalling £237,710 be deducted from the sales proceeds
 - 2.7.2 Net proceeds to be split 25.910% to residential and 74.090% to the Hotel. The 25.910% going to Virtuoso Ltd under their charge

2.7.3 The Hotel proceeds to be further split:

2.7.3.1 Unsold units 42.8692% – to be available to Virtuoso Limited under their charge

2.7.3.2 Group A (units with charges registered before Virtuoso's) – 44.1841%

2.7.3.3 Group B (units with UN1s registered after Virtuoso's) – 11.7171%

2.7.3.4 Group C (units without UN1s registered where amounts were paid under contracts) – 1.2296%

2.8 Since the hearing we have been seeking clarity from Virtuoso Ltd and Equity Ltd in regard to their relevant claims. This has now been completed and new calculations of the split of the funds have been made (see below).

2.9 The investors group purchasing the property have also provided further details of those investors included in the offer and a new calculation has been made in regard to the credit element of their offer. This has increased the amount that they will need to pay and payment terms for this increase are being discussed.

2.10 Completion of the sale has been delayed as the Council needs to provide consent. We have been chasing this for a number of weeks now but it seems to be progressing.

3 Creditors' Claims

3.1 Secured creditors

3.1.1 There is a legal charge registered against the property by Virtuoso Limited and a further charge at Companies House for Equity Group Limited which includes a fixed and floating charge.

3.1.2 Initial figures were provided for the value of these charges at £919,717 and £200,000 respectively, however these amounts had not been sufficiently proved by the time of the hearing and the Court allowed additional time for these to be reviewed.

3.1.3 On further review the claim of Virtuoso Limited has been finalised at £1,820,151 including interest. However, Equity Group Limited was found to owe the Administration a sum in the region of approximately £543,527. The claim for Virtuoso Limited has been used to update the Eason and Wong calculation and they are expected to receive the sum of £1,353,543.

3.1.4 Negotiations are ongoing with Equity Group Limited in regard to settling their debt.

3.1.5 As part of the Paragraph 71 Application the UN1 holders would also have a lien in regard to their interest in the premises which would affectively give them security over the property.

3.1.6 As per the split of the sales proceeds from the development as decided by the Court as outlined above, using the most up to date figures the Group A (units with charges registered before Virtuoso's) should receive 7.2522 pence in the £ on their claims. Their remaining claims will be unsecured claims against the company

3.1.7 There will be no funds available from the sales proceeds for Group B or Group C investors. However, they will also have unsecured claims against the company.

3.2 Preferential creditors

3.2.1 At the time of the Proposals there are no preferential creditors in this matter.

3.2.2 However, HM Revenue & Customs have subsequently submitted a claim for £271,461.49 of which they are claiming £262,829.06 as preferential.

3.2.3 We have been advised by the company's former accountants that there is a counter claim for VAT but on investigating this is apparently subject to a review by HM Revenue & Customs.

- 3.2.4 We have been in contact with HM Revenue & Customs in regard to this matter and have been attempting to reconcile and justify the VAT claim. However, in the last few days they have formally rejected the claims and we are now considering whether to seek a further review or to go to an independent tribunal.

3.3 Non-preferential creditors

- 3.3.1 Based on the director's Statement of Affairs potential claims from unsecured creditors were identified. The total value of these was estimated by the director to be £10,514,938.
- 3.3.2 However, the majority of these claims are from investors with UN1's, who would still have unsecured claims after receiving a return under the liens mentioned above.
- 3.3.3 As previously advised in the proposal, to effect any distribution to non-preferential creditors it will be necessary to exit the Administration via a creditors' voluntary liquidation.

4 Statement of Affairs

- 4.1 The director provided a Statement of Affairs as at 4 March 2021 which has been filed at Companies House. A copy of this document was referenced in the Proposals and remains available for inspection on our creditors' website (www.ips-docs.com). To access this and all documents pertinent to this case please go to our creditors website and enter the case reference number "N500015" and password "NorfolkHotel015@".

5 Administrator's Remuneration

- 5.1 Pursuant to Rule 18.4 of the Insolvency Rules 2016 the Administrators are entitled to be remunerated for their services as Administrators.
- 5.2 As part of the Court application regarding the sale, the Administrators sought an order for their fees, relating to the sale of the site, be paid from the sale proceeds, pursuant to the case of Berkeley Applegate . At the hearing the Court agreed to costs including £77,793 plus VAT in regard to the Administrators costs in selling the property.
- 5.3 A creditors committee was formed on 18 May 2021. Details of the committee members are available on the creditors' website (mentioned above). Therefore, any further remuneration in the Administration will be agreed with the committee.
- 5.4 The Administrators have not yet drawn any remuneration.

6 Costs

- 6.1 The only costs paid out of the Administration to date have been £8,000 plus VAT as a part payment to the agent in regard to the sale, £3,250 plus VAT (and disbursements) to Bermans Solicitors for working on the sales agreement and £15,359.50 to Harrison Clark Rickerbys in part-payment of their fees in advising the Administrators and drafting the Paragraph 71 Application.
- 6.2 The Administratorss Disbursements to date are shown at Appendix B.
- 6.3 The costs being incurred by agents and solicitors will not be paid until the sale of the site has been completed, however they are currently in line with those estimated in the Proposal

7 Conclusion

- 7.1 Creditors will be aware from Section 9 of the Proposals that it is the Administrators' intention to exit the Administration by way of a Creditors' Voluntary Liquidation ("CVL").

- 7.2 The Joint Administrators are not currently able to confirm exactly when this will be possible however it is hoped to be within the next 6 months.

A handwritten signature in black ink, consisting of a large 'S' followed by several loops and a long horizontal stroke.

Simon Barriball
Joint Administrator

A handwritten signature in black ink, featuring a stylized 'S' and 'M' with several loops and a long horizontal stroke.

Sandra McAlister
Joint Administrator

27 September 2022

Appendix A

Statutory Information

Company name	Norfolk Street Hotel & Residence Limited
Former names	Vincent Hotel & Residents Developments Limited Vincent Hotel & Residence Developments Limited
Name of development	Epic Hotel and Residences
Date of appointment	4 March 2021
Company number	10642659
Date of incorporation	28 February 2017
Principle activity	Property Development
Previous Registered office	116 Duke Street, Liverpool, Merseyside, L1 5JW
Current Registered Address	10 St Helens Road, Swansea, SA1 4AW
Shareholders	Elliot Philip Lawless
Share capital	100 £1 shares
Directors	Elliot Philip Lawless
Mortgages and charges	Virtuoso Group Ltd (Seychelles company) Fixed Charge created and filed with Companies House 12 July 2019 Equity Group Ltd (Seychelles company) Fixed and Floating Charge created 14 April 2020 and April 2020
Appointer	Equity Group Ltd (Seychelle company)

Category 1 and 2 Disbursements

Disbursements are categorised as either Category 1 or Category 2.

Category 1

Category 1 disbursements are clearly identifiable third party costs that are directly attributable to the case. Occasionally these disbursements are paid by the Administrator's firm and then recharged to the case, usually when there are insufficient funds within the case to pay the disbursement at the time it falls due. Specific approval from creditors is not required for Category 1 disbursements.

Typical examples of Category 1 disbursements are:

- Postage
- Advertising
- Insurance
- Travel costs
- External room hire
- Document storage

The current levels of Category 1 disbursements incurred and recovered by HBG Insolvency Ltd/McAlister & Co Insolvency Practitioners Ltd are as follows:

	Cost Incurred £	Cost Recovered £
Searches	203.00	-
Bonding	1,900.00	-
PR Agents (Effective Communications)	383.57	-
Travel Expenses (train)	83.90	-
Postage	1.83	-
Total	<u>2,572.30</u>	-

Category 2

Category 2 disbursements are estimated or shared costs which may include some internal recharges from HBG Insolvency Ltd/McAlister & Co Insolvency Practitioners Ltd. It is likely that it is not possible, or too costly, to calculate the exact cost and an estimate is therefore used. These disbursements can be paid from the case if the basis of the charge has been approved by creditors.

Typical examples of Category 2 disbursements are:

- Photocopying
- Internal room hire
- Stationery

	Cost Incurred £	Cost Recovered £
Travel Expenses (mileage)	103.70	-
Total	<u>103.70</u>	-

Norfolk Street Hotel & Residence Limited
(In Administration)
Joint Administrators' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 04/03/2021 To 03/03/2022 (£)	From 04/03/2022 To 03/09/2022 (£)	Total (£)
Freehold Land & Property		50,000.00	0.00	50,000.00
		50,000.00	0.00	50,000.00
PAYMENTS				
Agents/Valuers Fees		8,000.00	0.00	8,000.00
Legal Fees		18,609.50	0.00	18,609.50
Legal Disbursements		19.00	0.00	19.00
		26,628.50	0.00	26,628.50
Net Receipts/(Payments)		23,371.50	0.00	23,371.50
MADE UP AS FOLLOWS				
Bank 1 Current		0.00	23,371.50	23,371.50
Bank 2 Current		18,045.80	(18,045.80)	0.00
VAT Receivable / (Payable)		5,325.70	(5,325.70)	0.00
		23,371.50	0.00	23,371.50