

# CVA3

## Notice of supervisor's progress report in voluntary arrangement



Companies House

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

### 1 Company details

Company number 0 0 7 6 9 1 7 0

Company name in full Travelodge Hotels Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Supervisor's name

Full forename(s) Ian Colin

Surname Wormleighton

### 3 Supervisor's address

Building name/number 156 Great Charles Street

Street Queensway

Birmingham

Post town B3 3HN

County/Region

Postcode

Country

### 4 Supervisor's name<sup>①</sup>

Full forename(s) Daniel Francis

Surname Butters

#### ① Other supervisor

Use this section to tell us about  
another supervisor.

### 5 Supervisor's address<sup>②</sup>

Building name/number 156 Great Charles Street

Street Queensway

Birmingham

Post town B3 3HN

County/Region

Postcode


Country

#### ② Other supervisor

Use this section to tell us about  
another supervisor.

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<b>6</b>	<b>Date of voluntary arrangement</b>																
Date	<sup>d</sup>	1	<sup>d</sup>	9	<sup>m</sup>	0	<sup>m</sup>	6	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	0	
<b>7</b>	<b>Period of progress report</b>																
Date from	<sup>d</sup>	1	<sup>d</sup>	9	<sup>m</sup>	0	<sup>m</sup>	6	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	1	
Date to	<sup>d</sup>	1	<sup>d</sup>	8	<sup>m</sup>	0	<sup>m</sup>	6	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	2	
<b>8</b>	<b>Progress report</b>																
<input checked="" type="checkbox"/> I attach a copy of the progress report																	
<b>9</b>	<b>Sign and date</b>																
Supervisor's signature	Signature <b>X</b>  <b>X</b>																
Signature date	<sup>d</sup>	1	<sup>d</sup>	1	<sup>m</sup>	0	<sup>m</sup>	8	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	2	

# CVA3

## Notice of supervisor's progress report in voluntary arrangement



### 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 **Alia Khan**

Company name **Teneo Financial Advisory Ltd**

Address **156 Great Charles Street  
Queensway**

Post town **Birmingham**

County/Region

Postcode **B 3 3 H N**

Country

DX

Telephone **+44 121 619 0120**



### Checklist

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

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

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



### Important information

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



### Where to send

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

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



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**



The Global CEO Advisory Firm

Court Case No. 002659 of 2020  
High Court of Justice  
The business and Property courts of E&W  
Company Number: 00769170

Registered Office:  
Travelodge Hotels Limited  
Sleepy Hollow  
Aylesbury Road  
Thame, Oxon  
OX9 3AT

# **Travelodge Hotels Limited (subject to a company voluntary arrangement) ("CVA")("the Company")**






Progress report to creditors for the period 19 June 2021 to 18 June 2022 pursuant to Rule 2.41 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

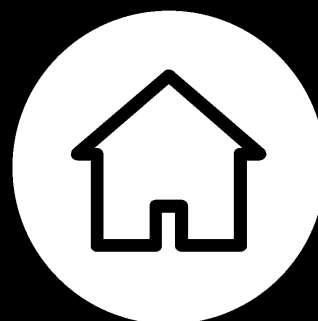
11 August 2022

Ian Colin Wormleighton and Daniel Francis Butters ("the Joint Supervisors") were appointed Joint Supervisors of the Company by the Company's creditors and members on 19 June 2020. All licensed Insolvency Practitioners of Teneo Financial Advisory Limited ("Teneo") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

In accordance with the terms of the CVA proposal, the Joint Supervisors confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

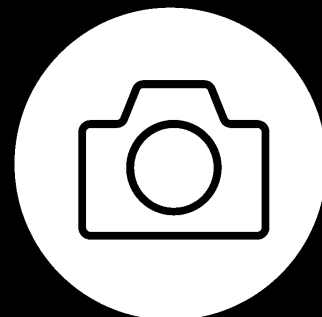
Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

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	Fees and expenses	8





## Key messages



## Key messages

### Joint Supervisors of the Company

Ian Colin Wormleighton

Daniel Francis Butters

Teneo Financial Advisory Limited

156 Great Charles Street

Queensway

Birmingham

B3 3HN

### Contact details

Email: [Alia.Khan@teneo.com](mailto:Alia.Khan@teneo.com)

[www.ips-docs.com](http://www.ips-docs.com)

Tel: +44 11 3396 0164



#### Progress of the CVA

- We have liaised with the Company during the period as regards its compliance with the terms of the CVA Proposal ("the Proposal").
- We have dealt with landlord and creditor correspondence as and when received.
- We have received various Notice of Claim forms from landlords in respect of their claims against the Compromised Creditor Fund ("CCF"). During the period, notice of claim forms that were received have been adjudicated and a first and final distribution from the CCF was made in April 2022. Please see pages 5 and 8 for more details.
- The Joint Supervisors have been in communication with the Company's management team to understand trading and performance.

#### Prospects for full implementation of the CVA

- The Joint Supervisors ("We") confirm that, notwithstanding the impact of the coronavirus restrictions (such as mandatory hotel closures and travel restrictions), we are not aware of any reasons to doubt the prospects for full implementation of the CVA.
- We confirm that we will communicate further with creditors in due course, with regard to implementation of the Proposal.

#### Outstanding matters

- Continue to monitor the full implementation of the Proposal.
- Following the finalisation of the Company's FY22 audited financial statements, review the Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA") for the Cumulative Recovery Period to establish if further payments are to be made to compromised landlords.
- Statutory closing matters.

#### Costs

- In accordance with the terms of the Proposal the following fees have been agreed by the Company:
- **Nominees' Fee & Expenses**
  - Nominees' Fee of £550k. These costs have been paid by the Company directly.
  - No expenses were incurred.
- **Supervisors' Fee & Disbursements**
  - Supervisors' Fees on a time cost basis estimated to be £200k;
  - Expenses of £230.
  - The above costs have not yet been recovered and will be paid by the Company directly in the next report period.

#### Outcome for Creditors

- Secured creditors – Secured creditors are not impacted by the Proposal.
- Preferential creditors – Employees were not impacted by the Proposal and continue to be paid by the Company in the ordinary course of business.
- Secondary Preferential creditor – There is no Secondary Preferential Creditor due to the date of appointment.
- Unsecured claims:
  - Trade creditors - are not affected by Proposal and continue to be paid in full through payments made by the Company in the ordinary course of business.
  - Any creditors compromised by the CVA Proposal were entitled to receive a payment from the £1m CCF. A first and final distribution of £1m representing a return of 0.15p/£ was paid to these creditors by the Company in April 2022.

Progress of the CVA

Summary

Progress of the CVA  
Work done during the report period  
Compromised Creditor Fund

As detailed in the Proposal all compromised creditors are expected to receive a return higher than what they would have received should the Company be placed into administration.

Any creditors compromised by the CVA Proposal were entitled to receive a payment from the £1m CCF. For further details regarding the terms of the CVA please refer to the CVA Proposal available at [www.ips-docs.com](http://www.ips-docs.com).

Claims of £650.8m were received and agreed by the Joint Supervisors. A first and final distribution representing a return of 0.15p/£ on agreed claims was made to these creditors by the Company in April 2022.

**Creditor Correspondence**

We have liaised with landlords and other creditors as regards general matters in respect of the CVA during the period.

**Excess Cumulative EBITDA Rental Payments**

As detailed in the CVA Proposal, if the Cumulative Recovery Period EBITDA exceeds £200m, each Compromised Landlord that has not either forfeited or irritated the relevant Compromised Lease or exercised its right to terminate shall be entitled to receive payments in line with the Proposal.

The Joint Supervisors will work with the Company to establish if this payment will be made in 2023, following the finalisation of the Company's FY22 audited financial statements.

**Statutory tasks**

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case management actions, including updating the creditor portal for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Statutory reporting, including the preparation of the first annual progress report;

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.





Progress of the CVA

Receipts and Payments

Travelodge Hotels Limited			
Joint Supervisors' receipts and payments account			
19 June 2021 to 18 June 2022			
£	Notes	Period	To date
Receipts			
Total receipts		-	-
Payments			
Total payments		-	-
Balance			-
Made up of:			-

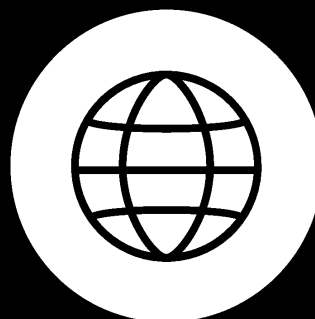
**Notes to receipts and payments account**  
A receipts and payments account is provided opposite showing that no transactions have occurred during the report period nor for the entire period of our appointment on 19 June 2020 to 18 June 2022. This is in line with the Proposals.



## Information for creditors

Outcome and Information to Assist Creditors

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Information for  
Creditors

Outcome

**Secured creditors**

Secured creditors are not impacted by the Proposal.

**Preferential creditors**

Employees were not impacted by the Proposal and continue to be paid by the Company in the ordinary course of business.

**Secondary Preferential Debts due to HM Revenue and Customs ("HMRC")**

Secondary preferential debts are debts due to HMRC in respect of deducted taxes, including VAT, PAYE, student loan repayments, employee NICs and CIS deductions.

As this appointment pre dates 1 December 2020, the Secondary Preferential Debt provisions do not apply and HMRC continue to be paid in the ordinary course of business.

**Unsecured creditors**

As detailed in the Proposal, all compromised creditors are expected to receive a return higher than what they would have received should the Company be placed into administration. Trade creditors continue to be settled in the ordinary course of business. Further details are provided below.

**Trade Creditors**

Trade creditors are not affected by Proposal and continue to be paid in full through payments made by the Company in the ordinary course of business.

**Compromised Creditor Fund**

Any creditors compromised by the Proposal were entitled to receive a payment from the £1m CCF. For further details regarding the terms of the Proposal please refer to the CVA Proposal available at [www.ips-docs.com](http://www.ips-docs.com).

Claims of £650.8m were received and have been agreed by the Joint Supervisors. A first and final distribution of £1m representing a return of 0.15p/£ on agreed claims was made to these creditors by the Company in April 2022.

**Exit**

When the terms of the arrangement have been fulfilled the Joint Supervisors will file the statutory Notices to bring the Proposal to an end.

As per the Proposal, we estimate that the CVA will complete in 2023 once a review of the Company's FY22 audited financial accounts has been undertaken and, if appropriate, once additional payments are made.

**Prospects for Full implementation of the Proposal**

The Joint Supervisors are not aware of any reasons to doubt the prospects for full implementation of the Proposal.

The Company is continuing to trade under the control of the directors.

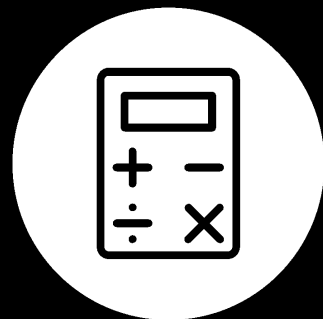




## Fees and Expenses

Joint Nominees' Fee and Supervisors' Fees and Expenses

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Fees and Expenses

Joint Nominees’ and  
Joint Supervisors fees  
and expenses

Category 1 expenses are payments to persons providing the service to which the expense relates and which are neither payment to us, the officeholders, or to an associate of ours. These expenses can be paid out of the estate by us without creditor approval.

Category 2 Expenses (disbursements) - are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. These expenses require creditor approval in the same manner as our remuneration

Joint Nominees’ and Supervisors’ remuneration

Nominees’ Fees and Expenses

A fee of £550k was agreed with the Company, sanctioned by the terms of the Proposal as approved on 19 June 2020.

The fee has been paid in full.

No expenses or disbursements were incurred by the Joint Nominees.

Supervisors’ Fees and Expenses

Under the terms of the Proposal our fee for acting as Joint Supervisors has been sanctioned on a time costs estimated in the proposals at £200k.

To date we have not drawn any fee for acting as Joint Supervisors and the balance of £200k will be drawn during the next reporting period.

Details of our expenses incurred as Joint Supervisors are provided below from which it can be seen we have not yet recovered our expenses in full:

Category 1 expenses				
	£ (net)	Value	Paid	Unpaid
Bond		230	-	230
Total expenses		230	-	230





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