

CVA4

Notice of termination or full implementation of voluntary arrangement



Companies House

For further information, please
refer to our guidance at
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 C/o Teneo Financial Advisory Limited

Street 156 Great Charles Street

Queensway

Post town Birmingham

County/Region

Postcode B 3 3 H N

Country

4 Supervisor's name ^①

Full forename(s) Daniel Francis

Surname Butters

① Other supervisor

Use this section to tell us about
another supervisor.

5 Supervisor's address ^②

Building name/number C/o Teneo Financial Advisory Limited

Street 156 Great Charles Street

Queensway

Post town Birmingham

County/Region

Postcode B 3 3 H N

Country

② Other supervisor

Use this section to tell us about
another supervisor.

CVA4

Notice of termination or full implementation of voluntary arrangement

6 Date voluntary arrangement fully implemented or terminated

d	d	m	m	y	y	y	y
1	9	0	1	2	0	2	3

7 Attachments

- | | |
|---|--|
| <input checked="" type="checkbox"/> I have attached a copy of the notice to creditors | |
| <input checked="" type="checkbox"/> I have attached the supervisor's report | |

8 Sign and date

Supervisor's signature

Supervisor's signature

X



X

Signature date

d	d	m	m	y	y	y	y
1	9	0	1	2	0	2	3

CVA4

Notice of termination or full implementation of 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 **Narinder Aheer**

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 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

Travelodge Hotels Limited (in a company voluntary arrangement) ("CVA")("the Company")

Final progress report to creditors pursuant to rules 2.41 and 2.44 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

19 January 2023

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.



Contents



Key messages

3



Completion of the CVA

4



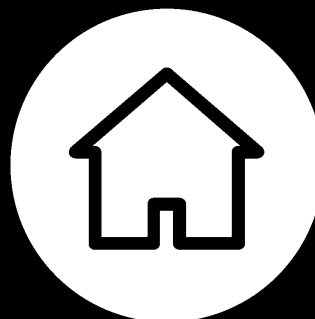
Information for creditors

7



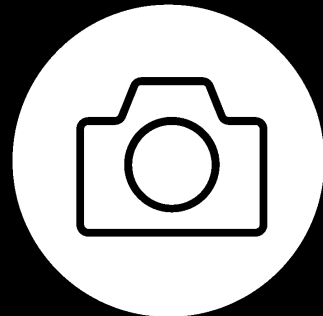
Fees and expenses

9





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
www.ips-docs.com
Tel: +44 11 3396 0164

Full Implementation of the CVA

- We have dealt with landlord and creditor correspondence as and when received.
- We have received and adjudicated Claims of £650.8m from Compromised Creditors with respect to their claims against the Compromised Creditor Fund ("CCF") and who were paid a dividend of 0.15p/£ by the Company in April 2022.
- We consider that the CVA is now fully implemented and have taken steps to deliver formal notice in that regard to the case website, the Court and the Registrar of Companies. Please refer to page 5 for further details.

Costs

- Our fee as the Joint Nominees was approved at £550k and has been paid in full by the Company.
- Our fee as the Joint Supervisors was sanctioned by the terms of the CVA on a time costs basis, estimated at £200k and payable by the Company. To date, we have incurred time costs of c.£85k and which, together with any final costs to completion and VAT, will be paid by the Company upon filing of the Notice of Completion with the Court and Registrar of Companies.
- Disbursements of £230 in respect of a specific penalty bond premium were incurred, the cost of which has been written off.

Outcome for Creditors

- The Proposal did not affect the rights of the secured creditors. Please refer to the Proposal and page 8 of this report for further details.
- Employees were not impacted by the Proposal. There were no Preferential Creditors as the employees continued to receive remuneration from the Company. The Secondary Preferential Creditor provisions did not apply.
- In line with the terms of the Proposal, the Compromised Creditors were the only unsecured creditors allowed to participate in the CCF distribution, and were paid a dividend of 0.15p/£ by the Company during the course of April 2022.
- A further payment may become due in 2023 if the Company's Cumulative Recovery Period Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA") exceeds £200m. The Company has provided the Supervisors with representations that should the threshold be met, this payment will be made in accordance with the terms of the CVA. Please see page 5 for further details.





Completion of the CVA

Summary	5
Receipts and Payments	6



Completion of the CVA

Summary

Completion of the CVA

There were no material departures from the terms of the Proposal which has now been fully implemented.

In accordance with the terms of the Proposal, all Compromised Creditors received a return higher than what they would have received should the Company have been placed into administration.

Any creditors that were compromised by the Proposal received 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.

Claims of £650.8m were received and 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 during the course of 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 at clause 25 of the Proposal, if the Cumulative Recovery Period Earnings Before Interest, Taxes, Depreciation, and Amortization ("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 Company has provided the Supervisors with representations that should the above be achieved the Company will make these payments in 2023, following the finalisation of the Company's FY22 audited financial statements.



Completion of the CVA

Receipts and Payments

Travelodge Hotels Limited			
Joint Supervisors' receipts and payments account			
19 June 2022 to 19 January 2023			
£	Notes	Period	To date
Receipts		-	-
Total receipts		-	-
Payments		-	-
Total payments		-	-
Balance			-
Made up of:			-

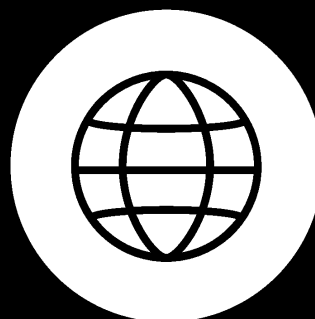
Notes to receipts and payments account
A receipts and payments account is provided opposite showing that no transactions have occurred during the report period nor for the entire period of our appointment on 19 June 2020 to 19 January 2022. This is in line with the Proposals.



Information for creditors

Outcome for Creditors

8



Information for creditors

Outcome for Creditors

Outcome for creditors

Secured creditors

Secured creditors were 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. HMRC continue to be paid by the Company in the ordinary course of business.

Unsecured creditors

As detailed in the Proposal, all compromised creditors received a return higher than what they would have received should the Company of gone into administration. Further details are below:

Trade Creditors

Trade creditors were not affected by the Proposal and have continued to be paid by the Company in the ordinary course of business.

Compromised Creditor Fund

Claims of £650.8m were received and 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 during the course of April 2022. For further details regarding the terms of the Proposal please refer to the CVA Proposal available at www.ips-docs.com.

Full Implementation of the CVA

The CVA was fully implemented on 19 January 2023. There were no departures from the terms of the CVA. The Joint Supervisors will shortly file the necessary notices with the Registrar of Companies and the Court to enable them to vacate office.

Upon vacation of office, the Company would no longer be in an insolvency process, but the Company and the Creditors would remain bound to make the Excess Cumulative EBITDA Rental Payment should the conditions for its payment be met.

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

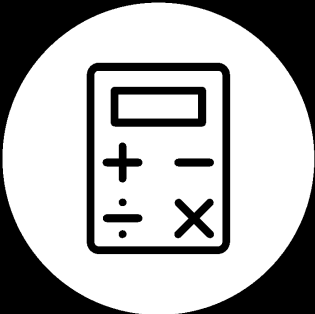




Fees and Expenses

Joint Nominees’ Fee and Supervisors’ Fees and Expenses

10



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 and sanctioned by the terms of the Proposal as approved on 19 June 2020.

The fee has been paid in full.

Supervisors’ Fees and Expenses

The Supervisors’ fees were fixed on a time costs basis and estimated at £200k as agreed with the Company and sanctioned by the terms of the CVA. To date, we have incurred time costs of c.£85k and which, together with any final costs to completion and VAT, will be paid by the Company upon filing of the Notice of Completion with the Court and Registrar of Companies.

Category 1 Expenses - Disbursements

We have not sought recovery of the specific penalty bond premium, the cost of which has been written off.

Category 1 expenses

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





This document is confidential and prepared solely for your information. Therefore you should not, without our prior written consent, refer to or use our name or this document for any other purpose, disclose them or refer to them in any prospectus or other document, or make them available or communicate them to any other party. No other party is entitled to rely on our document for any purpose whatsoever and thus we accept no liability to any other party who is shown or gains access to this document.

Teneo Financial Advisory Limited is registered in England & Wales with registered number 13192958 and its registered office at 5th Floor, 6 More London Place London, SE1 2DA, United Kingdom