

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A84JB288

A18

01/05/2019

#130

COMPANIES HOUSE

1 Company details

Company number 0 2 0 8 3 9 8 2

Company name in full somewhere2stay Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) James Robert

Surname Tucker

3 Administrator's address

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

4 Administrator's name ①

Full forename(s) Blair Carnegie

Surname Nimmo

① Other administrator

Use this section to tell us about
another administrator

5 Administrator's address ②

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

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 2	^m 1	^m 0	^y 2	^y 0	^y 1	^y 8
To date	^d 0	^d 1	^m 0	^m 4	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

J. Tucker

X

Signature date

^d 2	^d 6	^m 0	^m 4	^y 2	^y 0	^y 1	^y 9
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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 Marie Hayden

Company name KPMG LLP

Address Arlington Business Park

Theale

Post town Reading

County/Region Berkshire

Postcode R G 7 4 S D

Country

DX

Telephone Tel +44 (0) 118 964 2000



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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Stephen John
Surname Absolom

3 Insolvency practitioner's address

Building name/number 15 Canada Square
Street Canary Wharf
Post town London
County/Region
Postcode E 1 4 5 G L
Country



Joint Administrators' progress report for the period 2 October 2018 to 1 April 2019

Monarch Holidays Limited,
First Aviation Limited,
Avro Limited, Avro Aviation
Limited, Monarch Travel
Group Limited,
somewhere2stay Limited, MH
Aviation Transport Limited -
all in Administration

30 April 2019

Notice to creditors

This progress report provides an update on each of the administrations.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for each of the administrations and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 6).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.kpmg.co.uk/monarch>. We hope this is helpful to you.

Please also note that an important legal notice about this progress report is attached (Appendix 7).

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1 Executive summary

- This progress report covers the period from 2 October 2018 to 1 April 2019 for the Companies. There are three reports to creditors related to the concurrent administrations of 10 of the Monarch Group companies; one for Monarch Airlines, one for Monarch Holidays sub-group and one for the Monarch Holdings sub-group. This report is for the Monarch Holidays sub-group.
- The Group's key assets are:
 - Slots. Realised for £54 million.
 - Unrestricted cash at bank of £27.8 million on appointment. Realisations to date at Monarch Airlines are £22.5 million and Monarch Holidays are £5.1 million.

In addition we have realised cash collateral held by third parties at appointment of £0.4 million and £1.0 million in Monarch Airlines and Monarch Holidays respectively.
- The Group's engineering business, MAEL, entered into administration on 4 January 2019. This followed a period where the Directors had sought to stabilise the business via agreeing a CVA and funding from PJL. PJL had acquired the shares in MAEL as part of a release of debt and agreement to provide new funding. Unfortunately, due to challenges faced in MAEL's ongoing trading, its Directors concluded there was no reasonable prospect of avoiding insolvency.
- The key asset realisations within the Companies relate to debtors and cash at bank on appointment. We continue to pursue outstanding debtor balances and finalise the Companies' tax affairs (Section 2 - Progress to date).
- Value will break in the secured debt as previously indicated. We have made a distribution of £0.65 million to PJL from Monarch Holidays in the period (Section 3 - Dividend prospects and dividends paid).
- Monarch Holidays is the only Company of the Monarch Holidays subgroup with preferential creditors. We declared and paid a dividend of 100p in the £ to the preferential creditors in the period (Section 3 - Dividend prospects and dividends paid).
- There is no real prospect of a return to unsecured creditors in any of the Companies, other than a small dividend in First Aviation and a small prescribed part in somewhere2stay and MH Aviation Transport (Section 3 - Dividend prospects and dividends paid).
- The administrations are currently due to end on 1 October 2020.
- Please note: you should read this progress report in conjunction with our previous progress reports and proposals issued to the Companies' creditors which can be found at <http://www.kpmg.co.uk/monarch>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Jim Tucker
Joint Administrator

2 Progress to date

This section updates you on our strategy for each of the administrations and on our progress to date. It follows the information provided in our previous progress reports.

2.1 Strategy and progress to date

Strategy

The main asset realisations for the Group in the period, and since our last progress reports, have been from an ISDA settlement, debtors and cash at bank.

We continue to focus on realising the Group's remaining assets, progressing the Group's tax affairs and an orderly wind down of the operations of the business.

Matters specific to the Companies are set out below.

Services and Funding Agreement (SFA)

As previously advised the services to be provided to the CAA, to assist with matters that would not normally be undertaken in an administration situation, and the terms of reimbursement were agreed in the SFA.

In the period, our work on behalf of the CAA has included is now solely related to ongoing support in the collection of final debtor balances. We anticipate the process will be concluded in the next 2-3 months. Funding received from the CAA does not represent an asset of the Company; the funding ensures there is no gain or detriment to creditors as a result of work undertaken on behalf of the CAA. It is a cost reimbursement. We will in due course request funding from the CAA to cover certain cost of some of the smaller legal entities in which there are limited asset realisations.

Employees

Since our last report, the one former employee retained to support on a consultancy basis has completed his work and is no longer retained.

Tax

The tax affairs of the Companies are complex and intrinsically linked across the Group.

We have made further headway in finalising the corporation tax affairs of the Group and we will shortly be seeking tax clearance for all Group companies for periods ending on or before 31 October 2018.

A tax liability arose in respect of the disposal of the Gatwick and Luton Airport landing rights previously held by Monarch Airlines

The administration of MAEL, being part of the wider Group, has tax implications for the Group. Depending on its tax position it may be possible to access tax losses in MAEL to shelter some of the taxable profits that have arisen in respect of the disposal of the landing

rights mentioned above. We will liaise with MAEL's administrators to explore this further. Whilst it is likely this will only impact Monarch Airlines, at this stage we cannot rule out an impact on other Group companies.

Where there are no further realisations expected in Group companies and no further benefits can be obtained by other Group companies from tax losses that may be available in the companies, we will seek agreement of their final tax position with HMRC. We envisage this being the position for Monarch Travel Group, Avro, Avro Aviation and First Aviation.

2.2 Asset realisations

Realisations during the period for each of the Companies are set out in the attached receipts and payments accounts (Appendix 2).

Summaries of the most significant realisations during the period are provided below.

Debtors

Travel agent debtors

During the period, in Monarch Holidays, we received £150,000 in respect of debtor balances due in respect of Turkish flight subsidies. No additional receipts are expected from this.

We continue to work with the CAA/ATT requesting the completion of the travel agent debtor reconciliation to allow us to quantify the final amounts due to the ATT. We expect this process to complete in the coming months.

Cash at bank

We realised the final balance of £35,000 in respect of First Aviation Limited. No further realisations are expected.

2.3 Costs

Payments made in this period by each of the Companies are set out in the attached receipts and payments accounts (Appendix 2).

Summaries of the most significant payments, all made by Monarch Holidays, during the period are provided below.

Rent and rates

We have paid £30,000 in relation to Monarch Holidays' occupation of the former leasehold trading premises following our appointment, primarily to assist the CAA with the repatriation exercise and wind-down process. We have now settled all rent and rates liabilities.

Agents' fees

We have paid approximately £16,000 to TMC Advisory in respect of collection of debtor and pipeline monies. These fees were agreed based on a percentage of amount recovered.

Legal fees

Legal fees paid relate to general legal advice given to us during the administration, including support in respect of the extension of the administration.

Costs recharged under the SFA

We have recharged various IT and employee costs under the SFA, some £110,000 in the period. There should not be any further recharges.

2.4 Schedule of expenses

We have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses for each of the Companies attached (Appendix 3).

There are no material costs incurred in the period but not yet paid.

3 Dividend prospects and dividends paid

3.1 Secured creditors

We set out a summary of the material security position for the Companies, together with a summary of the security provided to merchant acquirers over Monarch Holidays' and First Aviation's bank accounts in our Proposals.

As previously advised, we consider that value will break in the secured debt.

During the period, we have distributed £0.65 million to PJL from floating charge realisations. In addition, Monarch Airlines distributed £1.35 million to PJL.

3.2 Preferential creditors

Monarch Holidays was the only Company with employees. The preferential claims have been agreed at £48,000.

A first and final dividend to preferential creditors of 100p in the £ was declared on 6 December 2018 and paid during the period.

The preferential creditors have been repaid in full.

3.3 Unsecured creditors

Based on current estimates, we anticipate that unsecured creditors of MH Aviation Transport, somewhere2stay and First Aviation should receive a dividend from the prescribed part. We will determine the amount of this once we have completed the realisation of assets and payment of associated costs.

There will not be a dividend available for the unsecured creditors of Avro, Avro Aviation or Monarch Travel Group.

As previously advised, there will be no distribution to unsecured creditors of Monarch Holidays. We obtained an order from the Court that the prescribed part, being funds ordinarily set aside for unsecured creditors up to a maximum of £0.6 million, shall not apply on the grounds that the cost of making a distribution to the unsecured creditors would be disproportionate to the benefits, and exceed the funds available.

Please see Appendix 1 for further details in relation to the prescribed part for each of the Companies.

4 Joint Administrators' remuneration, disbursements and pre-administration costs

4.1 Joint Administrators' remuneration and disbursements

We previously reported that we had reached an agreement in principle with the senior secured creditor in relation to our remuneration. We also explained the work we undertook to determine which parties constitute secured creditors for approvals purposes under insolvency legislation in Monarch Holidays and First Aviation.

With the exception of First Aviation, it is for the secured creditors, as well as preferential creditors in Monarch Holidays, to approve our remuneration for these administrations.

As First Aviation does not have any secured or preferential creditors it is for the unsecured creditors to approve our remuneration for this administration.

In line with the above, during the period the appropriate creditor bodies provided approval that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate and charge-out rates, as set out in the statement of proposals, but subject to a cap of no more than 80% of the charge out rates disclosed. This will include work undertaken in respect of, but not limited to, tax, VAT, employee and pensions advice from KPMG in-house specialists.

As set out in our statement of proposals and subsequent progress reports, creditors were advised that we have entered into a SFA with the CAA / ATT in respect of their repatriation of the airline passengers post-administration. Under that agreement, the CAA / ATT is reimbursing Monarch for relevant costs incurred. This includes the recharge of Joint Administrators' time costs related to work under the SFA, which will also be subject to a cap of no more than 80% of the charge out rates disclosed. Whilst funded by the CAA, the Joint Administrators will be paid via Monarch.

- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5.

Time costs

From 2 October 2018 to 1 April 2019, we have incurred the following time costs. This is based on our standard charge out rates; as explained above we have agreed a cap on our time costs with the senior secured creditor.

Time costs – 2 April 2018 to 1 April 2019				
	Time costs 2 October 2018 to 1 April 2019, £	Total hours 2 October 2018 to 1 April 2019	Average hourly rate, £	Time costs 2 October 2017 to 1 April 2019, £
Monarch Holidays	46,887	108	433	1,305,573
First Aviation	10,689	26	411	44,959
Avro	4,422	11	395	38,458
Avro Aviation	5,003	13	388	33,298
Monarch Travel Group	4,254	11	397	41,309
somewhere2stay	7,069	16	434	4,764
MH Aviation Transport	5,824	15	399	37,182
Total	84,148	200	2,857	1,505,543

Please see detailed analysis of the time spent and a narrative description of the work performed (Appendix 5) and in our previous progress reports.

Remuneration

During the period, we have drawn floating charge remuneration of £1,172,000 from Monarch Holidays, £30,000 from each of First Aviation and somewhere2stay and £25,000 from MH Aviation Transport.

We have not drawn remuneration from Avro, Avro Aviation or Monarch Travel Group.

Disbursements

In the period we have drawn disbursements of £9,851 in Monarch Holidays, £494 from somewhere2stay and £267 from First Aviation and MH Aviation Transport, relating to disbursements incurred in prior reporting periods.

Additional information

We have attached a revised fees estimate at Appendix 4 for Monarch Holidays. As explained above, in line with the agreement reached with the senior secured creditor, we will not recover these costs in full. Our envisaged time costs for this administration have increased by approximately £230,000, primarily due to the following:

- Dealing with the complex tax affairs, including looking into the transfer of group tax losses;

- Ongoing work to support former employees with references and supporting additional requests for information from them;
- The inclusion of our costs relating to work that is recharged to the CAA under the terms of the SFA; these do not represent a cost to the Monarch Holidays estate.

We have attached (Appendix 5) an analysis of the time spent for each of the administrations, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 2 October 2018 to 1 April 2019. We have also attached our charging and disbursements policy. This information is based on our standard charge-out rates.

Under the SFA, the CAA has agreed to meet costs which would not have been incurred but for the work they required in relation to the repatriation exercise. These costs will include a recharge from the Companies for the Administrators' time costs and expenses in relation to our work under the SFA. In addition, they have provided a facility to cover statutory costs in relation to those Group companies which have no assets to meet these costs, but which were required to be placed into administration in order to ensure that the repatriation could take place without any hindrance. Again, these costs will include Administrators' time costs and expenses. In agreeing these costs, the CAA is an independent body which is not connected with the Group, the Joint Administrators or KPMG.

4.2 Pre-administration costs

During the period the appropriate creditor bodies (as set out in section 4.1 above) provided approval for each of the Companies to pay the unpaid pre-administration costs, being legal fees and disbursements, as at the date of our appointment. Accordingly we have paid these costs of £2,341 plus VAT for each of the Companies, other than Monarch Holidays.

The pre-administration legal costs of £56,179 plus VAT for Monarch Holidays will be paid shortly.

5 Future strategy

5.1 Future conduct of the administrations

We will continue to manage the affairs, the business and the property of each of the Companies in order to achieve the purpose of the administrations. This will include but not be limited to:

- Realisation of the remaining debtors of Monarch Holidays and somewhere2stay;
- Finalising the assistance we are providing to the CAA, including agreeing final allocation of debtor receipts and ongoing allocation of debtor receipts
- Complying with ongoing tax and VAT requirements for each of the Companies and determine the impact of the Group tax relief position for each of the Companies;
- Making distributions to secured creditors where funds are available (Monarch Holidays and somewhere2stay);

- Agreeing unsecured creditor claims and making a distribution to unsecured creditors from First Aviation, somewhere2stay and MH Aviation Transport;
- Paying the costs of the administration;
- Complying with ongoing statutory and reporting obligations.

5.2 Future reporting

We will provide a further progress report within one month of 1 October 2019 or earlier in respect of any administrations if they have been completed prior to that time.

Appendix 1 Statutory information for each of the Companies

Company information	
Company name	Monarch Holidays Limited
Date of incorporation	10 February 1987
Company registration number	02098654
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL
Administration information	
Administration appointment	The administration appointment granted in High Court of Justice, 007263 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is £6.6 million (low case estimate). The prescribed part is capped at the statutory maximum of £600,000. In view of the Court Order to disapply the Prescribed Part, it has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.3).
Prescribed Part distribution	The Joint Administrators have obtained an order from the Court that the prescribed part shall not apply on the grounds that the cost of making a distribution to the unsecured creditors would be disproportionate to the benefits
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	1 October 2020

Company information

Company name	First Aviation Limited
Date of incorporation	25 January 1993
Company registration number	02783179
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007245 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Prescribed Part	The Prescribed Part is not applicable on this case as there are no secured creditors
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	1 October 2020

Company information

Company name	Avro Limited
Date of incorporation	20 December 1983
Company registration number	01779584
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007258 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Estimated values of the Net Property and Prescribed Part	The Prescribed Part is not applicable on this case as the net property is expected to be below the prescribed minimum of £10,000
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	1 October 2020

Company information

Company name	Avro Aviation Limited
Date of incorporation	12 December 1995
Company registration number	03137129
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007255 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Prescribed Part	The Prescribed Part is not applicable on this case as the net property is expected to be below the prescribed minimum of £10,000.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	1 October 2020

Company information

Company name	Monarch Travel Group Limited
Date of incorporation	26 March 1975
Company registration number	01205109
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007260 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Prescribed Part	The Prescribed Part is not applicable on this case as the net property is expected to be below the prescribed minimum of £10,000.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	1 October 2020

Company information

Company name	somewhere2stay Limited
Date of incorporation	15 December 1986
Company registration number	02083982
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007269 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Estimated values of the Net Property and Prescribed Part	<p>Estimated Net Property is c.£552,000 (low case estimate). The estimated maximum Prescribed Part is c.£113,000.</p> <p>The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.3)</p>
Prescribed Part distribution	<p>The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply.</p> <p>Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors, should net property be above the prescribed minimum of £10,000.</p>
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	1 October 2020

Company information

Company name	MH Aviation Transport Limited
Date of incorporation	11 November 1974
Company registration number	01190110
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 007257 of 2017
Appointor	Court following application by the Directors
Date of appointment	2 October 2017
Joint Administrators' details	Jim Tucker, Blair Nimmo and Steve Absolom
Estimated values of the Net Property and Prescribed Part	<p>Estimated Net Property is c.£188,000 (low case estimate). The estimated Prescribed Part is c£41,000.</p> <p>The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.3).</p>
Prescribed Part distribution	<p>The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply.</p> <p>Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors, should net property be above the prescribed minimum of £10,000.</p>
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	1 October 2020

Appendix 2 Joint Administrators' receipts and payments accounts

Monarch Holidays

Monarch Holidays Limited - in Administration				
Abstract of receipts & payments				
Statement of affairs (£)	From 02/10/2018 To 01/04/2019 (£)	From 02/10/2018 To 01/04/2019 (EUR)	From 02/10/2018 To 01/04/2019 (US\$)	Cumulative GBP from From 02/10/2017 To 01/04/2019 (£)
FIXED CHARGE ASSETS				
8,907,340 00 Cash collateral - Merchant acquirer	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL
FIXED CHARGE CREDITORS				
(8,907,340 00) Fixed charge creditor	NIL	NIL	NIL	NIL
(94,685,897 00) Fixed charge creditor (2)	NIL	NIL	NIL	NIL
(7,500,000 00) Fixed charge creditor (3)	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL
ASSET REALISATIONS				
Intangible assets	NIL	NIL	NIL	840 00
5,000 00 Tangible assets	NIL	NIL	NIL	0 00
3,168,217 00 Book debts	NIL	NIL	NIL	2,144,321 55
Book debts - travel agents	163,194 00	NIL	NIL	5,387,993 66
Hotel pre payment refunds	NIL	NIL	NIL	631,827 55
VAT refunds (pre-app'ent)	NIL	NIL	NIL	125,241 83
4,950,078 00 Cash at bank	NIL	NIL	NIL	6,171,213 39
Credit Card settlement	NIL	NIL	NIL	231,108 26
	163,194 00	NIL	NIL	14,692,546 24
OTHER REALISATIONS				
Bank interest, gross	25,405 33			55,792 76
Awva refunds	NIL	NIL	NIL	122 77
Insurance refund	NIL	NIL	NIL	5,246 60
Reimbursement of legal fees incurred	NIL	NIL	NIL	2,160 18
Third party funds received	NIL	NIL	NIL	34,930 02
Currency Account Transfers	NIL	NIL	NIL	714,974 09
	25,405 33	NIL	NIL	813,226 42
COST OF REALISATIONS				
Administrators' fees	(1,171,978 00)	NIL	NIL	(1,171,978 00)
Administrators' expenses	(9,851 00)	NIL	NIL	(9,851 00)
Employee expenses	NIL	NIL	NIL	(2,569 53)
Overseas rep costs	NIL	NIL	NIL	(38,547 02)
Agents'/Valuers' fees	(16,319 00)	NIL	NIL	(127,001 00)
ERA solution costs	(97 50)	NIL	NIL	(5,104 28)
Legal fees	(10,929 73)	NIL	NIL	(248,382 99)
Costs recharged under the SFA	109,699 83	NIL	NIL	533,743 81
Telephone/Telex/Fax	NIL	NIL	NIL	(7,201 41)
Storage costs	(3,604 50)	NIL	NIL	(12,580 11)
Re-direction of mail	NIL	NIL	NIL	(1,632 00)
Statutory advertising	NIL	NIL	NIL	(140 00)
Rent	(24,875 98)	NIL	NIL	(34,538 20)
Rates	(4,858 26)	NIL	NIL	(4,858 26)
Other property expenses	NIL	NIL	NIL	(815 00)
Wages & salaries	NIL	NIL	NIL	(161,146 01)
PAYE & NIC	NIL	NIL	NIL	(75,412 47)
Bank charges	(20 00)	NIL	NIL	(1,528 20)
Third party funds paid	NIL	NIL	NIL	(34,966 02)
Currency Account transfers	NIL	NIL	NIL	(710,259 74)
	(1,132,834 14)	NIL	NIL	(2,114,767 43)

PREFERENTIAL CREDITORS				
(38,087 00)	Employee creditors	NIL	NIL	NIL
		NIL	NIL	NIL
FLOATING CHARGE CREDITORS				
	Floating charge	(650,000 00)	NIL	NIL
		(650,000 00)	NIL	(5,650,000 00)
UNSECURED CREDITORS				
(70,021,165 00)	Trade, Intercompany, Other	NIL	NIL	NIL
(1,148,308 00)	Employees	NIL	NIL	NIL
(9,928,910 00)	Pre-paid consumer creditors	NIL	NIL	NIL
		NIL	NIL	NIL
DISTRIBUTIONS				
(27,200,000 00)	Ordinary shareholders	NIL	NIL	NIL
		NIL	NIL	NIL
(202,399,072.00)		(1,642,007.35)	NIL	7,693,232.69
REPRESENTED BY				
	Floating ch VAT rec'able			288,429 01
	Floating charge current			2,112,773 44
	ATT Trust account			5,485,591.87
	Trade creditors			67,665 71
	Floating ch VAT payable			(88,297 28)
	Floating ch VAT control			(172,930 06)
				7,693,232.69

NOTE:

Included in book debts, book debts – travel agents and hotel pre-payment refunds are realisations of £5.5 million which we hold on behalf of the CAA; these funds do not form part of the Monarch Holidays' estate. Accordingly, under "Represented by" we show £5.5 million as belonging to the ATT in this regard

First Aviation

First Aviation Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 02/10/2018 To 01/04/2019 (£)	From 02/10/2017 To 01/04/2019 (£)
	FIXED CHARGE ASSETS		
75,925 00	Cash collateral - Merchant acquirer	NIL	NIL
115,362 00	Cash collateral - Merchant acquirers	NIL	NIL
16,310,433 00	Cash collateral held	NIL	NIL
		NIL	NIL
	FIXED CHARGE CREDITORS		
(75,925 00)	Fixed charge creditor	NIL	NIL
(115,362.00)	Fixed charge creditor (2)	NIL	NIL
(16,310,433 00)	Fixed charge creditor (3)	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
4,605.00	Cash at bank	35,000.00	120,044 03
		35,000.00	120,044 03
	OTHER REALISATIONS		
	Bank interest, gross	235.32	364.38
	Facility from CAA	NIL	2,500 00
		235.32	2,864 38
	COST OF REALISATIONS		
	Pre-administration legal fees	(2,340.79)	(2,340.79)
	Administrators' fees	(30,000.00)	(30,000.00)
	Administrators' expenses	(267.00)	(267.00)
	Re-direction of mail	NIL	(612.00)
	Bank charges	NIL	(20.00)
	Repayment of CAA funding	NIL	(2,561.44)
		(32,607.79)	(35,801.23)
	UNSECURED CREDITORS		
(34,794,151.00)	Trade, Intercompany, Other	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(25,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(34,814,546.00)		2,627.53	87,107.18
	REPRESENTED BY		
	Floating charge VAT rec'able		6,521.56
	Floating charge current		80,585.62
			87,107.18

Avro

Avro Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 02/10/2018 To 01/04/2019 (£)	From 02/10/2017 To 01/04/2019 (£)
	FIXED CHARGE CREDITORS		
(7,500,000.00)	Fixed charge creditor	NIL	NIL
(94,685,897.00)	Fixed charge creditor (2)	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
18,279.00	Trade & Other receivables	NIL	NIL
	Book debts	NIL	10,860.17
8,476.00	Cash at bank	NIL	8,474.88
		NIL	19,335.05
	OTHER REALISATIONS		
	Bank interest, gross	48.72	78.09
	Facility from CAA	NIL	2,500.00
		48.72	2,578.09
	COST OF REALISATIONS		
	Pre-administration legal fees	(2,340.79)	(2,340.79)
	Re-direction of mail	NIL	(612.00)
		(2,340.79)	(2,952.79)
	UNSECURED CREDITORS		
(23,820,499.00)	Trade, Intercompany, Other	NIL	NIL
(225,030.00)	Pre-paid customer creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(16,100,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(142,304,671.00)		(2,292.07)	18,960.35
	REPRESENTED BY		
	Floating charge VAT rec'able		468.16
	Floating charge current		18,492.19
			18,960.35

Avro Aviation

Avro Aviation Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 02/10/2018 To 01/04/2019 (£)	From 02/10/2017 To 01/04/2019 (£)
	FIXED CHARGE CREDITORS		
(7,500,000.00)	Fixed charge creditor	NIL	NIL
(94,685,897.00)	Fixed charge creditor (2)	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
4,970.00	Cash at bank	NIL	4,970.00
		NIL	4,970.00
	OTHER REALISATIONS		
	Bank interest, gross	14.80	34.80
	Facility from CAA	NIL	2,500.00
		14.80	2,534.80
	COST OF REALISATIONS		
	Pre-administration legal fees	(2,340.79)	(2,340.79)
	Re-direction of mail	NIL	(612.00)
		(2,340.79)	(2,952.79)
	UNSECURED CREDITORS		
(30,544,619.00)	Trade, Intercompany, Other	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(132,727,546.00)		(2,325.99)	4,552.01
	REPRESENTED BY		
	Floating charge VAT rec'able		468.16
	Floating charge current		4,083.85
			4,552.01

Monarch Travel Group

Monarch Travel Group Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 02/10/2018 To 01/04/2019 (£)	From 02/10/2017 To 01/04/2019 (£)
	FIXED CHARGE CREDITORS		
(7,500,000.00)	Fixed charge creditor	NIL	NIL
(94,685,897.00)	Fixed charge creditor (2)	NIL	NIL
		NIL	NIL
	OTHER REALISATIONS		
	Bank interest, gross	5.41	15.57
	Rates refund	NIL	1,682.06
	Facility from CAA	NIL	2,500.00
		5.41	4,197.63
	COST OF REALISATIONS		
	Pre-administration legal fees	(2,340.79)	(2,340.79)
	Irrecoverable VAT	NIL	(67.28)
	Agents'/Valuers' fees	NIL	(336.41)
	Re-direction of mail	NIL	(612.00)
		(2,340.79)	(3,356.48)
	UNSECURED CREDITORS		
(32,413,026.00)	Trade, Intercompany, Other	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(20,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(134,618,923.00)		(2,335.38)	841.15
	REPRESENTED BY		
	Floating charge VAT reclaimable		468.16
	Floating charge current		372.99
			841.15

somewhere2stay

somewhere2stay Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 02/10/2018 To 01/04/2019 (£)	From 02/10/2017 To 01/04/2019 (£)
FIXED CHARGE CREDITORS			
(7,500,000.00)	Fixed charge creditor	NIL	NIL
(94,685,897.00)	Fixed charge creditor (2)	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
644,698.00	Trade and Other receivables	NIL	NIL
	Book debts	NIL	869,626.64
1,970.00	Cash at bank	NIL	1,970.00
		NIL	871,596.64
OTHER REALISATIONS			
	Bank interest, gross	2,544.02	4,003.22
	Facility from CAA	NIL	2,500.00
		2,544.02	6,503.22
COST OF REALISATIONS			
	Pre-administration legal fees	(2,340.79)	(2,340.79)
	Administrators' fees	(30,000.00)	(30,000.00)
	Administrators' expenses	(494.00)	(494.00)
	Re-direction of mail	NIL	(1,224.00)
	Bank charges	NIL	(30.00)
	Repayment of CAA funding	NIL	(2,542.95)
		(32,834.79)	(36,631.74)
UNSECURED CREDITORS			
(21,970,560.00)	Trade, Intercompany, Other	NIL	NIL
(283,047.00)	Pre-paid consumer creditors	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
(50,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(123,842,836.00)		(30,290.77)	841,468.12
REPRESENTED BY			
	Floating ch. VAT rec'able		7,299.76
	Floating charge current		834,168.36
			841,468.12

MH Aviation Transport

MH Aviation Transport Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 02/10/2019 To 01/04/2019 (£)	From 02/10/2017 To 01/04/2019 (£)
	FIXED CHARGE CREDITORS		
(7,500,000.00)	Fixed charge creditor	NIL	NIL
(94,685,897.00)	Fixed charge creditor (2)	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	VAT refunds (pre-app'ent)	NIL	231,523.81
1,000.00	Cash at bank	NIL	1,000.00
		NIL	232,523.81
	OTHER REALISATIONS		
	Bank interest, gross	551.15	1,236.64
	Facility from CAA	NIL	2,500.00
		551.15	3,736.64
	COST OF REALISATIONS		
	Pre-administration legal fees	(2,340.79)	(2,340.79)
	Administrators' fees	(25,000.00)	(25,000.00)
	Administrators' expenses	(267.00)	(267.00)
	Re-direction of mail	NIL	(1,224.00)
	Bank charges	NIL	(30.00)
	Repayment of CAA funding	NIL	(2,542.95)
		(27,607.79)	(31,404.74)
	UNSECURED CREDITORS		
(32,561,836.00)	Trade, Intercompany, Other	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(134,746,833.00)		(27,056.64)	204,855.71
	REPRESENTED BY		
	Floating charge VAT rec'able		5,521.56
	Floating charge current		199,334.15
			204,855.71

Appendix 3 Schedule of expenses for each of the Companies

Monarch Holidays

Schedule of expenses (02/10/2018 to 01/04/2019)			
Expenses (£)	Incurring and paid in the period (£)	Incurring in the period not yet paid (£)	Total (£)
Cost of realisations			
Administrators' fees	0 00	(46,886.50)	(46,886.50)
Administrators' expenses	0.00	(201.50)	(201.50)
Agents'/Valuers' fees	(16,319.00)	0.00	(16,319.00)
ERA solution costs	(97.50)	0 00	(97.50)
Costs recharged under the SFA	109,699.83	0 00	109,699.83
Storage costs	(3,604.50)	0.00	(3,604.50)
Bank charges	(20.00)	0 00	(20.00)
TOTAL	89,658.83	(47,088.00)	42,570.83

Some of the payments made in the period relate to expenses incurred in a prior period. Therefore there is a difference between the payments made during the period of £1.13 million (per the receipts and payments account) and the net receipt further to expenses incurred and paid in the period of £0.9 million (per the schedule of expenses).

Please note that the accrual for our remuneration is based on our charge out rates; for consistency of reporting purposes these costs have not been adjusted to reflect the discount agreed with the senior secured creditor.

First Aviation, Avro, Avro Aviation, somewhere2stay, MH Aviation Transport and Monarch Travel Group

There have been no expenses incurred during the period for these Companies, other than the accrual of Joint Administrators' time costs as shown in Appendix 5.

Please note that the accrual for our remuneration for each of these Companies is based on our charge out rates; for consistency of reporting purposes these costs have not been adjusted to reflect the discount agreed with the senior secured creditor.

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses 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 our 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 must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor 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 the Joint Administrators at 15 Canada Square, Canary Wharf, London, E14 5GL.

Appendix 4 Joint Administrators' revised fees estimate (Monarch Holidays only)

Estimated Joint Administrators' costs for Monarch Holidays		Estimated time costs for the engagement disclosed in proposals dated 24 November 2017			Additional estimated time costs for the engagement			Total		
	Note	Estimated Total hours	Estimated Time cost (£)	Estimated Average hourly rate (£)	Additional Estimated Total hours	Additional Estimated Time cost (£)	Average hourly rate (£)	Total (£)	CAA Recharge (£)	Total cost to Est (£)
Administration & Planning										
Cashiering - procession of receipts & payments and bank reconciliations	1	92	42,052	457	20	9,142	457	51,193.74	288	50,905
General - books & records, fees and work in progress	1	35	16,578	474	5	2,368	474	18,946	-	18,946
Engagement management - administration strategy and case oversight	2	108	69,241	641	15	9,617	641	78,858	27,399	51,459
Preparation for court hearings - compiling information and preparing for court hearings		11	9,196	836	-	-		9,196	126	9,070
Statutory and compliance - appointment & related formalities, bonding checklist & reviews, reports to creditors, advertising	3	139	66,821	481	40	19,229	481	86,050	-	86,050
Reports to secured creditors - preparing & issuing reports to secured creditors	1	38	27,407	721	25	18,031	721	45,438	-	45,438
Tax - VAT & corporation tax, initial reviews, pre and post appointment tax	4	50	24,981	500	80	39,970	500	64,951	-	64,951
Creditors										
Employees - employee meetings, claims and correspondence	5	204	105,802	519	40	20,745	519	126,547	46,185	80,362
Creditors and claims - customers - correspondence and claims from customers of the company	6	229	134,151	586	5	2,929	586	137,080	4,922	132,158
Creditors and claims - other - correspondence and claims from other creditors of the company	6	450	162,769	362	5	1,809	362	164,578	9,424	155,153
Press and stakeholder management - communication with key stakeholders and press		9	5,805	645	-	-		5,805	469	5,336
IT related - matters specifically relating to IT creditors and suppliers	7	76	35,219	463	5	2,317	463	37,536	21,398	16,138
Investigation										
Directors - correspondence, statement of affairs, questionnaires	1	82	38,466	469	-	-		38,466	-	38,466
Investigations - director conduct and affairs of the company		52	21,632	416	-	-		21,632	-	21,632
Realisation of assets										
Asset realisation - realisation of the company's assets	1	1,005	581,491	579	40	23,144	579	604,635	30,713	573,922
Other										
Operating expenses - purchases, overheads, cashflows and fund management	1	122	66,121	542	-	-		66,121	12,595	53,526
CAA repatriation	8	-	-	-	137	81,342		81,342	81,342	-
Totals		2,702	1,407,732	521	417	230,642	525	1,638,374	234,862	1,403,513

The revised estimated time costs shown above reflects an update based on actual time, grade mix and process codes to which time has been charged. This therefore leads to variances by process codes compared with previous estimates. It also includes an estimate of future time costs that we envisage incurring.

For consistency of reporting, this estimate is based on based on our standard charge out rates; these costs have not been adjusted to reflect the discount agreed with the senior secured creditor. As explained in section 4, in line with the agreement reached with the senior secured creditor, we will not recover these costs in full. This includes our costs recharged to the CAA.

Further details in relation to the revised fees estimate and of work to be undertaken for this engagement are given below.

Costs recharged under the SFA

Under the SFA, the CAA has agreed to meet costs which would not have been incurred but for the work they required in relation to the repatriation exercise. The above estimate includes costs of circa £235,000 that are being recharged to the CAA. These do not represent a cost to the Monarch Holidays estate.

Note 1 – General, cashiering, reports to secured creditors, directors, asset realisation and operating expenses

Our work in relation to the above matters will remain ongoing throughout the administration; accordingly we estimate an increase in time costs incurred in these areas of our work.

In relation to asset realisations and debtors, we forecast an increase in our costs related primarily to reconciliation and allocation of travel agent debtors between the estate and the ATT. The CAA continue to pursue travel agent debtors and their collections may have a benefit to the estate.

Note 2 – Engagement management

These costs have increased as we continue to progress the engagement and address the complex tax matters arising which requires the ongoing oversight of the engagement

Note 3 – Statutory and compliance

Further time will continue to be incurred dealing with statutory and compliance related formalities throughout the administration period.

Note 4 – Tax

We forecast an increase in our costs for the above area of our work related primarily to dealing with the Company's corporation tax affairs. These have increased in complexity as a result of transfers of Group tax losses as we continue to consider the correct treatment of these.

We are unable to submit our final post appointment returns until all assets have been realised. Accordingly this work stream will be ongoing for the duration of the administration.

Note 5 – Employees

We have received a greater volume of queries from former employees including requests for information, references and receipt of claim details over a longer period than we initially expected.

Dealing with these queries is more time consuming now that the Company IT systems have been shut down and there are no longer any Company employees to assist.

Note 6 – Creditors and claims, customers and other

We continue to respond to queries received from customers and other creditors.

As shown in the above table, a proportion of the costs we have incurred will be recharged to the CAA to reflect the work undertaken which is outside our statutory duties.

Note 7 – IT related

Our work in this area is effectively complete, with the increased costs reflecting that we retained access to the IT systems for longer than initially envisaged.

Note 8 – CAA repatriation

As explained above, our time costs incurred in dealing with the repatriation of customers are being met by the CAA and do not represent a cost to the estate.

Appendix 5 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

The time charged to each of the administrations is by reference to the time properly given by us and our staff in attending to matters arising in the respective administration. This includes work undertaken in respect of tax, VAT, employee and pensions advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administrations to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please write to the Joint Administrators at 15 Canada Square, Canary Wharf, London, E14 5GL.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved with each of the administrations. Time is charged by reference to actual work carried out on the administrations; using a minimum time unit of six minutes.

All staff who have worked on each of the administrations, including cashiers and secretarial staff, have charged time directly to the relevant administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administrations but is reflected in the general level of charge-out rates.

Table of charge-out rates

Charge-out rates (£) for: Restructuring	
Grade	From 01 Nov 2016 £/hr
Partner	835
Director	740
Senior Manager	645
Manager	515
Senior Administrator	375
Administrator	285
Support	142

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of each of the administrations. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements: These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following disbursements (excluding VAT) during the period 2 October 2018 to 1 April 2019.

Monarch Holidays

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
External printing	67.40		NIL		67.40
Postage	134.10		NIL		134.10
Total	201.50		NIL		201.50

First Aviation, Avro, Avro Aviation, somewhere2stay, MH Aviation Transport and Monarch Travel Group

We have not incurred any disbursements in the period for these Companies.

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

Narrative of work carried out for each of the Companies for the period 2 October 2018 to 1 April 2019

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"> ■ posting information on a dedicated web page; ■ preparing statutory receipts and payments accounts, ■ ensuring compliance with all statutory obligations within the relevant timescales
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ formulating, monitoring and reviewing the administration strategies and meetings with internal and external parties to agree the same; ■ briefing of our staff on the administration strategies and matters in relation to various work-streams; ■ regular case management and reviewing of progress, including regular team update meetings and calls, ■ reviewing and authorising junior staff correspondence and other work including resourcing and budgeting exercises and reviews; ■ dealing with queries arising during the appointments; ■ reviewing matters affecting the outcome of the administrations, ■ allocating and managing staff/case resourcing and budgeting exercises and reviews; ■ liaising with legal advisors; ■ complying with internal filing and information recording practices, including documenting strategy decisions
Assistance to CAA (Monarch Holidays only)	<ul style="list-style-type: none"> ■ working in accordance with the Services and Funding Agreement entered into with the CAA; ■ liaising with the CAA regarding ongoing matters, including ongoing debt collections.
Reports to debenture holders	<ul style="list-style-type: none"> ■ providing written and oral updates to representatives of the secured creditors regarding the progress of the administrations and case strategies
Cashiering	<ul style="list-style-type: none"> ■ preparing and processing vouchers for the payment of post-appointment invoices, ■ creating remittances and sending payments to settle post-appointment invoices; ■ reconciling post-appointment bank accounts to internal systems; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	<ul style="list-style-type: none"> ■ reviewing information from the Companies records in relation to the taxation position of the Companies; ■ reviewing the Companies pre-appointment corporation tax and VAT positions; ■ analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; ■ working initially on tax returns relating to the periods affected by the administrations; ■ analysing VAT related transactions; ■ dealing with post appointment tax compliance.
Shareholders	<ul style="list-style-type: none"> ■ responding to enquiries from shareholders regarding the administrations.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analyses of time incurred which is compliant with Statement of Insolvency Practice 9; ■ drawing remuneration in accordance with the basis which has been approved by the appropriate creditor bodies; ■ dealing with the ongoing storage of the Companies' books and records.
Asset realisations	<ul style="list-style-type: none"> ■ reviewing outstanding debtors and management of debt collection strategy (Monarch Holidays and somewhere2stay only); ■ seeking legal advice in relation to book debt collections (Monarch Holidays and somewhere2stay only); ■ reviewing the inter-company debtor position between the Companies and other group companies.
Employees (Monarch Holidays only)	<ul style="list-style-type: none"> ■ dealing with queries from employees regarding various matters relating to the administration and their employment; ■ dealing with statutory employment related matters, including statutory notices to employees and making statutory submissions to the relevant government departments, ■ communicating and corresponding with HM Revenue and Customs; ■ dealing with issues arising from employee redundancies, including statutory notifications

	<ul style="list-style-type: none"> ■ and liaising with the Redundancy Payments Office; ■ managing claims from employees.
Pensions (Monarch Holidays only)	<ul style="list-style-type: none"> ■ communicating with employees representatives concerning the effect of the administration on pensions and dealing with employee queries.
Creditors and claims	<ul style="list-style-type: none"> ■ responding to enquiries from creditors regarding the administrations and submission of their claims; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; ■ agreeing preferential creditor claims (Monarch Holidays only); ■ arranging distributions to the secured creditors (Monarch Holidays only); ■ arranging a distribution to the preferential creditors (Monarch Holidays only); ■ drafting our progress report.

Time costs

Monarch Holidays

SIP 9 –Time costs analysis (02/10/2018 to 01/04/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	9.00	2,427.70	269.74
Reconciliations (& IPS accounting reviews)	7.40	2,882.80	389.57
General			
Books and records	0.60	171.00	285.00
Fees and WIP	8.60	5,063.00	588.72
Statutory and compliance			
Checklist & reviews	2.80	867.00	309.64
Tax			
Post appointment VAT	16.90	8,135.00	481.36
Creditors			
Creditors and claims			
Agreement of preferential claims	22.80	8,582.00	376.40
Secured creditors	0.90	615.00	683.33
Statutory reports	27.70	14,102.50	501.87
Employees			
Correspondence	4.90	1,851.50	377.86
General analysis			
Creditors and claims			
Customer claims – other	2.40	684.00	285.00
Supplier claims – other	2.40	684.00	285.00
Realisation of assets			
Asset Realisation			
Debtors	1.40	525.00	375.00
Other			
Purchases and operating costs	0.40	296.00	740.00
Total in period	108.20	46,886.50	433.33

Brought forward time (appointment date to SIP 9 period start date)	2,734.95	1,258,687.45
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	108.20	46,886.50
Carry forward time (appointment date to SIP 9 period end date)	2,843.15	1,305,573.95

First Aviation

SIP 9 –Time costs analysis (02/10/2018 to 01/04/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	1.20	227.60	189.67
Reconciliations (& IPS accounting reviews)	2.30	803.60	349.39
General			
Fees and WIP	5.90	3,293.00	558.14
Statutory and compliance			
Checklist & reviews	3.60	1,364.00	378.89
Tax			
Post appointment corporation tax	1.50	450.50	300.33
Post appointment VAT	0.50	188.50	377.00
Creditors			
Creditors and claims			
Statutory reports	10.70	4,276.50	399.67
Realisation of assets			
Asset Realisation			
Cash and investments	0.30	85.50	285.00
Total in period	26.00	10,689.20	411.12
Brought forward time (appointment date to SIP 9 period start date)	79.90	34,270.10	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	26.00	10,689.20	
Carry forward time (appointment date to SIP 9 period end date)	105.90	44,959.30	

Avro

SIP 9 –Time costs analysis (02/10/2018 to 01/04/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	0.60	128.10	213.50
Reconciliations (& IPS accounting reviews)	2.30	859.50	373.70
Statutory and compliance			
Checklist & reviews	2.90	1,118.50	385.69
Strategy documents	0.30	193.50	645.00
Tax			
Post appointment VAT	0.30	85.50	285.00
Creditors			
Creditors and claims			
Statutory reports	4.80	2,037.00	424.38
Total in period	11.20	4,422.10	394.83
Brought forward time (appointment date to SIP 9 period start date)	78.00	34,034.60	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	11.20	4,422.10	
Carry forward time (appointment date to SIP 9 period end date)	89.20	38,456.70	

Avro Aviation

SIP 9 – Time costs analysis (02/10/2018 to 01/04/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
Reconciliations (& IPS accounting reviews)	2.60	883.50	339.81
Statutory and compliance			
Checklist & reviews	3.30	1,255.50	380.45
Strategy documents	0.30	193.50	645.00
Tax			
Post appointment VAT	1.30	462.50	355.77
Creditors			
Creditors and claims			
Statutory reports	5.40	2,208.00	408.89
Total in period	12.90	5,003.00	387.83
Brought forward time (appointment date to SIP 9 period start date)	67.20	28,294.50	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	12.90	5,003.00	
Carry forward time (appointment date to SIP 9 period end date)	80.10	33,297.50	

Monarch Travel Group

SIP 9 –Time costs analysis (02/10/2018 to 01/04/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
Reconciliations (& IPS accounting reviews)	2.20	719.50	327.05
Statutory and compliance			
Checklist & reviews	3.30	1,278.50	387.42
Strategy documents	0.30	154.50	515.00
Creditors			
Creditors and claims			
Statutory reports	4.90	2,101.50	428.88
Total in period	10.70	4,254.00	397.57
Brought forward time (appointment date to SIP 9 period start date)	89.53	37,054.65	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	10.70	4,254.00	
Carry forward time (appointment date to SIP 9 period end date)	100.23	41,308.65	

somewhere2stay

SIP 9 –Time costs analysis (02/10/2018 to 01/04/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	0.80	170.80	213.50
Reconciliations (& IPS accounting reviews)	2.40	888.00	370.00
General			
Fees and WIP	2.80	1,227.00	438.21
Statutory and compliance			
Checklist & reviews	3.30	1,209.50	366.52
Tax			
Post appointment corporation tax	2.00	1,480.00	740.00
Post appointment VAT	0.30	85.50	285.00
Creditors			
Creditors and claims			
Statutory reports	4.70	2,008.50	427.34
Total in period	16.30	7,069.30	433.70
Brought forward time (appointment date to SIP 9 period start date)	96.65	40,567.25	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	16.30	7,069.30	
Carry forward time (appointment date to SIP 9 period end date)	112.95	47,636.55	

MH Aviation Transport

SIP 9 –Time costs analysis (02/10/2018 to 01/04/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
Reconciliations (& IPS accounting reviews)	2.50	776.40	310.56
General			
Fees and WIP	2.90	1,310.50	451.90
Statutory and compliance			
Checklist & reviews	2.90	1,095.50	377.76
Strategy documents	0.30	193.50	645.00
Tax			
Post appointment VAT	1.20	411.00	342.50
Creditors			
Creditors and claims			
Statutory reports	4.80	2,037.00	424.38
Total in period	14.60	5,823.90	398.90
Brought forward time (appointment date to SIP 9 period start date)	75.45	31,358.25	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	14.60	5,823.90	
Carry forward time (appointment date to SIP 9 period end date)	90.05	37,182.15	

For all Companies:

All staff who have worked on these assignments, including cashiers and secretarial staff, have charged time directly to the relevant assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignments but is reflected in the general level of charge out rates

All time shown in the above analyses is charged in units of six minutes.

Appendix 6 Glossary

ATT	Air Travel Trust
Avro	Avro Limited
Avro Aviation	Avro Aviation Limited
CAA	Civil Aviation Authority
the Companies	Monarch Holidays, First Aviation, Avro, Avro Aviation, Monarch Travel Group, somewhere2stay, MH Aviation Transport – all in administration
First Aviation	First Aviation Limited
Freshfields	Freshfields Bruckhaus Deringer LLP
Group	Avro, Avro Aviation, First Aviation, MH Aviation Transport, Monarch 2011 Limited, Monarch Airlines Limited, Monarch Holdings Limited, Monarch Holidays, Monarch Travel Group, somewhere2stay, MH Aviation Transport – all in administration
IT	Information Technology
Joint Administrators/we/our/us	Jim Tucker, Blair Nimmo and Steve Absolom
KPMG	KPMG LLP
MAEL	Monarch Aircraft Engineering Limited – in administration
MH Aviation Transport	MH Aviation Transport Limited – in administration

Monarch 2011	Monarch 2011 Limited – in administration
Monarch Airlines	Monarch Airlines Limited – in administration
Monarch Holdings	Monarch Holdings Limited – in administration
Monarch Holidays	Monarch Holidays Limited – in administration
Monarch Travel Group	Monarch Travel Group Limited – in administration
PJL	Petrol Jersey Limited
PPF	Pension Protection Fund
Secured creditors	PJL and PPF
Senior secured creditor	PJL
SFA	Services and Funding Agreement
Slots	Take off and landing slots at UK airports
somewhere2stay	Somewhere2stay Limited – in administration
WJL	Windsor Jersey Limited

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

Appendix 7 Notice: About this report

This report has been prepared by Jim Tucker, Blair Nimmo and Steve Absolom, the Joint Administrators of Monarch Holidays Limited, First Aviation Limited, Avro Limited, Avro Aviation Limited, Monarch Travel Group Limited, somewhere2stay Limited and MH Aviation Transport Limited – all in Administration (the ‘Companies’), solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of each of the administrations, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, 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 or any financial interest in any of the Companies or any other company in the 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 its 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.

James Robert Tucker and Stephen John Absolom are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

Blair Carnegie Nimmo is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland.

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