

# AM03

## Notice of administrator's proposals



Companies House

WEDNESDAY



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06/11/2019

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COMPANIES HOUSE

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house

### 1 Company details

Company number 0 9 3 7 7 7 5 1

Company name in full Belmont Hotel Limited

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

### 2 Administrator's name

Full forename(s) Philip Francis

Surname Duffy

### 3 Administrator's address

Building name/number The Chancery

Street

Post town 58 Spring Gardens

County/Region Manchester

Postcode M 2 1 E W

Country

### 4 Administrator's name

Full forename(s) Sarah Helen

Surname Bell

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address

Building name/number The Chancery

Street

Post town 58 Spring Gardens

County/Region Manchester

Postcode M 2 1 E W

Country

② Other administrator  
Use this section to tell us about  
another administrator.

AM03

Notice of Administrator's Proposals

**6** Statement of proposals

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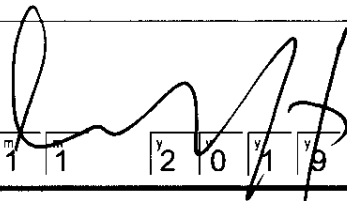
I attach a copy of the statement of proposals

**7** Sign and date

Administrator's  
Signature

Signature

✕



✕

Signature date

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## AM03 Notice of Administrator's Proposals



### 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	Eboney Boote
Company name	Duff & Phelps Ltd.
Address	The Chancery
	58 Spring Gardens
Post town	Manchester M2 1EW
County/Region	
Postcode	
Country	
DX	
Telephone	+44 (0) 161 827 9000



### Checklist

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

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

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

# Joint Administrators' Report to Creditors and Statement of Proposals

1 November 2019

**Belmont Hotel Limited  
Belmont Hotel Management  
Limited  
(Both In Administration)**

Joint Administrators' Report to Creditors and Statement of Proposals  
For the period from 12 September 2019 to 1 November 2019  
Pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986

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

## Definitions

Word or Phrase	Definition
the Act	<i>The Insolvency Act 1986 (as amended)</i>
the Agents	Sanderson Weatherall, independent agents who were instructed to value and sell the assets of the Companies
The Appointment Dates	The date of the Joint Administrators' appointments being 12 September 2019
Assured	Assured Hotels Limited, independent agents who are instructed to oversee the operational management of the Hotel
the Bank	NatWest Bank plc with whom the Companies banked
Belmont	Belmont Hotel Limited
Belmont Management	Belmont Hotel Management Limited
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Companies	Belmont Hotel Limited (in Administration) (Company Number: 09377751) Belmont Hotel Management Limited (in Administration) (Company Number: 09377712)
DBEIS	Department for Business, Energy & Industrial Strategy
the Director	Iain Shelton is currently the sole director of the Companies. Gavin Woodhouse was removed as Director of the Companies and Iain Shelton was appointed by the Interim Managers of NPD in their capacity as shareholders of the Companies
Duff & Phelps	Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW
EC Regulation	EC Regulation on Insolvency Proceedings 2000
Giant	Giant Hospitality Limited (Company number: 0989283) – in Administration
HMRC	HM Revenue and Customs
the Hotel	Belmont Hotel, 21 N Parade, Llandudno LL30 2LP
the Joint Administrators	Philip Duffy and Sarah Bell of Duff & Phelps
Mysing/Secured Creditor	Mysing Capital Limited, holder of a fixed and floating charges over the assets of Belmont Hotel

NPD	Northern Powerhouse Developments Limited (Company Number: 09940469) – in Administration
Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Property	Belmont Hotel, 21 N Parade, Llandudno LL30 2LP
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SOA	Statement of Affairs, documentation to be supplied by the Director outlining the Company's financial position as at the Appointment Date
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006

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## 1. Introduction

- 1.1 The Joint Administrators of the Companies were appointed on the Appointment Date by the Director of the Companies
- 1.2 The functions of the Joint Administrators may be exercised by either of the Joint Administrators.
- 1.3 This report is the statutory statement of Proposals of the Joint Administrators. It sets out the circumstances leading up to their appointment and their strategy for achieving the purpose of the administrations of the Companies.
- 1.4 These Proposals are delivered to creditors within two business days of the date of this report.

## 2. Background

- 2.1 Statutory information on the Companies and a summary of their financial history is included at Appendix 1.
- 2.2 Belmont was incorporated on 7 January 2015 with Gavin Woodhouse appointed as the director. NPD is the sole shareholder. Robin Forster was appointed director on 1 May 2015 and resigned on 2 January 2016.
- 2.3 Belmont Management was incorporated on 7 January 2015. NPD is the sole shareholder. The following directors have been appointed and resigned since the incorporation date:

Director	Appointed	Resigned
Gavin Woodhouse	7 January 2015	1 April 2015
Gavin Woodhouse	27 June 2017	15 July 2019
Simon Moppet	1 April 2015	31 May 2016
Christopher Evans	1 June 2016	15 March 2018
Juliette Donovan	1 June 2016	30 June 2017

- 2.4 Gavin Woodhouse was removed as Director of the Companies and Iain Shelton was appointed by the Interim Managers of NPD in their capacity as shareholder of the Companies on 15 July 2019.
- 2.5 Belmont was incorporated to hold the long leasehold of the Property, being the Hotel, whilst Belmont Management acted as the vehicle in which the Hotel was operated from.
- 2.6 Belmont Management operates a 27 bedroom hotel in Llandudno, North Wales.
- 2.7 The operations of the Hotel were managed by Giant which included the operation of the Whisper Hotel brand. Interim Managers were appointed over Giant by the Court on 12 July 2019. NPD and Giant subsequently went into Administration on 16 August 2019 and 16 September 2019 respectively.
- 2.8 The Companies banked with NatWest with a credit only facility.

- 2.9 Belmont granted fixed and floating charges to Mysing which contain fixed charges over the long leasehold property and floating charges over all other assets. The first charge was created on 13 March 2015 and delivered on 19 March 2015 with the two further charges being created on 5 December 2018 and delivered on 6 December 2018.
- 2.10 Belmont Management has not granted any charges
- 2.11 The Joint Administrators are in the process of quantifying the indebtedness to Mysing and confirming the validity of the security.
- 2.12 Based on information held at the Appointment Date, it is understood that the indebtedness to Mysing is £1.8m subject to accruing interest and charges. However, the Joint Administrators are aware that four other companies within the NPD group have also granted charges to Mysing (Queens Hotel (Llandudno) Management Limited, The Old Golf House Hotel Limited, The Old Golf House Hotel Limited Management Limited, Llandudno Bay Hotel & Spa Limited - all in Administration). The Joint Administrators are in the process of reviewing how these funds were split between these NPD companies.

### **3. Events Leading up to the Administration**

- 3.1 NPD purported to operate investment schemes where investors were offered the opportunity to purchase rooms in a number of hotels acquired by subsidiaries of NPD and/or Giant in return for lucrative returns. The schemes operated by NPD and/or Giant are currently under investigation.
- 3.2 On 7 July 2019, the Joint Administrators were appointed as Interim Managers of NPD by the Court. This action was taken after certain investors raised concerns in respect of their investments. Currently the activities of NPD are under investigation.
- 3.3 The Joint Administrators were appointed as Interim Managers over Giant on 15 July 2019. In their capacity as shareholders of the Companies due to the Interim Manager appointments, the decision was taken to remove Gavin Woodhouse as director of both Companies and appoint Iain Shelton in order to protect the business and assets of the Companies.
- 3.4 Joint Administrators were appointed over NPD and Giant on 16 August 2019 and 16 September 2019 respectively.
- 3.5 Following the appointments over NPD and Giant, the Interim Managers appointed Assured to carry out a review of the trading hotels. Assured identified HMRC liabilities of c£100k in respect of Belmont.
- 3.6 In addition, there were significant trade creditor arrears in Belmont Management and HMRC arrears totalling c£40k. In order to protect the assets of the Companies and preserve any value in the business the Director appointed the Joint Administrators over the Companies on the respective Appointment Date.
- 3.7 Investors into all NPD schemes have been requested to provide further information in respect of their investments, which will enable the Joint Administrators of NPD to ascertain the level of investments in each of the subsidiaries, including the Companies. This will also allow investors to provide any further relevant information to the Joint Administrators.
- 3.8 The Joint Administrators considered the position prior to accepting the appointment and having regard to the Insolvency Practitioners Association's ethical guidelines, considered that there were no circumstances preventing them from accepting the appointment.

#### **4. Purpose of the Administration**

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

- Rescuing the company as a going concern, or
- Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in Administration), or
- Realising property in order to make a distribution to one or more secured or preferential creditors

4.2 Whilst the Joint Administrators are looking to achieve a going concern sale of the business and assets of the Companies, due to the uncertain level of creditors (whilst the investment position is clarified) and expected realisations, it is not anticipated that the first objective will be achieved.

4.3 The Joint Administrators are pursuing the second objective as it is likely that a better result for the Companies' creditors as a whole will be achieved than if the Companies were wound up without first being in Administration for the following reasons:

- Continued trade during the Administration will protect the goodwill of the business and enhance the price that will be obtained in a sale as a going concern.
- Continued trade will enable pre-booked events and bookings to be held thereby reducing the value of claims in respect of any deposits and staged payments.
- Continued trade and a going concern sale of the Hotel will reduce employee claims which will be minimised by employees transferring under TUPE to the purchaser once a sale is completed.

4.4 Although the long leasehold of the property is held by Belmont, Belmont Management holds the other assets including furniture, equipment and stock along with the debtors. Therefore, it is anticipated that a sale of the business as a going concern will include the assets of both Companies.

4.5 Based on current information, it is anticipated that a distribution will be made to the Secured Creditor through a sale of the Hotel; however, the level of any distribution is dependent on the realisations achieved in any sale and also confirmation of the quantum and validity of the debt due to Mysing.

4.6 It is currently uncertain whether there will be funds available to enable a dividend to non-preferential creditors of the Companies. This will be dependent on confirmation of the creditor position and the realisations achieved through a sale of the Companies' assets.

4.7 The Joint Administrators' Proposals for achieving the purpose of the Administrations are set out in the remainder of this report.

#### **5. Statement of Affairs**

5.1 Due to the appointment of the Director being immediately prior to the Joint Administrators' appointment on both Companies, the SOA has been requested from Gavin Woodhouse. To date, this information has not been provided.

5.2 In the absence of a SOA, the Joint Administrators attach a schedule of creditors' names and addresses and an estimate of assets and liabilities which has been extracted from the Companies' books and records at Appendix 3.

- 5.3 Some creditor amounts shown may differ from the actual amount owed. This does not affect their claim.

## 6. Progress of the Administration to Date

- 6.1 The manner in which the affairs and business of the Companies have been managed, since the appointment of Joint Administrators and will continue to be managed and financed are set out below.

### Administration Trading Period

- 6.2 Following the Appointment Date, the decision was immediately taken by the Joint Administrators to continue to trade the business whilst all options were reviewed. It is believed that if a sale as a going concern can be achieved, realisations would be maximised and creditor claims against the Companies would be minimised.
- 6.3 A going concern sale would also protect the employment of Belmont Management's workforce. In addition, it is believed that a going concern sale of the Hotel would enhance the realisations of the assets of Belmont Management.
- 6.4 The Joint Administrators engaged Assured, who are independent hotel operators, to act as managing agents assisting the Joint Administrators whilst the Hotel continues to trade.
- 6.5 Assured had been running the Hotel for the period between the appointment of the Interim Managers over NPD and Giant and the Appointment Date.
- 6.6 Following the Appointment Date, Assured attended the Hotel to take charge of and secure certain assets of the Companies and to take over the management of the day to day operations of the Hotel.
- 6.7 The Joint Administrators required Assured to complete a full review of operations, which included staffing levels and other costs and implement any necessary changes. In addition, a full review of the sales and marketing strategy was also undertaken with a view to increasing the revenue from room, food and beverage sales and weddings and other events.
- 6.8 It was noted that the Hotel had a large number of bookings over the weeks following the Joint Administrators' appointments and honouring these bookings was likely to increase realisations and reduce liabilities in respect of deposits and staged payments already made.
- 6.9 To date, the sum of £75,374 has been achieved in respect of post appointment sales which includes room sales, food and beverage sales and deposits in respect of weddings and other events.
- 6.10 Costs of £59,379 have been paid to date in respect of trading expenditure which includes wages, all trading costs and some ransom payments that were required to ensure the business could continue to trade with minimal disruption.
- 6.11 At present cash payments are being paid into Belmont Management's pre appointment bank account and paid across to the Administration estate account in weekly transfers. Credit and debit card remittances are also paid to the Joint Administrators by the merchant services provider.

## Sale of business and assets

- 6.12 Following appointment, the Joint Administrators instructed the Agents to provide a valuation and marketing advice in respect of the Hotel. The marketing of the Hotel is being progressed with a view to completing a sale as soon as reasonably practicable.
- 6.13 It is anticipated that a sale will be achieved in the next six to twelve months. Once a sale of the Hotel has completed full details will be provided.
- 6.14 As detailed in section 4 of this report, the Joint Administrators are pursuing a sale of the business as a going concern. Therefore, it is anticipated that the assets held in Belmont Management will also form part of any future sale.
- 6.15 Due to the commercial sensitivity of the sales process we are unable to provide details of the *expected realisations in respect of the Hotel*. Details of the value obtained will be provided to creditors in reports subsequent to the sale.

## Belmont

### Leasehold Property

- 6.16 The principal asset of Belmont is the Hotel located at N Parade, Llandudno LL30 2LP.
- 6.17 An independent valuation of the Hotel has been provided by the Agents. An estimated to realise value has not been disclosed in order to avoid prejudicing any future marketing and sale negotiations.
- 6.18 Information reviewed by the Joint Administrators to date show that approximately 28 investors purportedly acquired rooms in the Hotel, under agreements created by NPD. The Joint Administrators are currently investigating these agreements.
- 6.19 The Joint Administrators are intending to seek Court direction to allow the Court to determine the extent of *Investors' interests across the NPD/ Giant group companies*. A further update will be provided in the next report to creditors.

### Inter Company Debt

- 6.20 According to Belmont's books and records at the Appointment Date, there are several outstanding debts due to Belmont from associated companies in the NPD group:

	£
Belmont Hotel Management Limited	772,379
Campus House Limited	39,513
<b>Total</b>	<b>811,892</b>

- 6.21 Both of the associated companies are in formal insolvency processes and it is uncertain whether any of the inter-company debts are recoverable.

### Plant & Machinery

- 6.22 The management accounts for Belmont as at March 2019 show Plant & Machinery with a book value of £9,000.

- 6.23 The Agents are providing valuation advice on these assets as they are being marketed as part of the Hotel. It is anticipated that this will be included in any sale of the Hotel as a going concern.
- 6.24 An estimated to realise value has not been disclosed in order not to prejudice any future marketing and sale negotiations. Further information will be provided in the next report to creditors.
- 6.25 The Joint Administrators are not currently aware of any other assets of Belmont.

### **Belmont Management**

#### **Plant & Machinery and Office Equipment and stock**

- 6.26 The plant and machinery, office equipment and stock within the Hotel is an asset of Belmont Management. The book value of these assets according to the management accounts as at 31 March 2019 is £61,000.
- 6.27 As detailed above, it is anticipated that these assets would form part of a sale of the Hotel as a going concern. The Agents have been instructed to provide valuation advice and these assets are being marketed as part of the Hotel.
- 6.28 An estimated to realise value has not been disclosed in order not to prejudice any future marketing and sale negotiations. Further information will be provided in the next report to creditors.

#### **Furniture & Fixtures**

- 6.29 According to Belmont's management accounts as at 31 March 2019, the furniture and fixtures within the Hotel have a book value of £997,000.
- 6.30 As above, it is anticipated that this would form part of a sale of the Hotel as a going concern. The Agents have been instructed to provide valuation advice and these assets are being marketed as part of the Hotel.
- 6.31 An estimated to realise value has not been disclosed in order not to prejudice any future marketing and sale negotiations. Further information will be provided in the next report to creditors.

#### **Pre-payments and Other Debtors**

- 6.32 According to Belmont Management's books and records, Belmont Management were holding pre-payments and a schedule of payments in respect of existing bookings totalling £14,000 as at the Joint Administrators' appointment. These bookings are currently being honoured by the Joint Administrators.
- 6.33 The Joint Administrators and Assured are reviewing the records in respect of existing bookings or and outstanding debts. It is anticipated that deposits and pre-payments will form part of a going concern sale of the Hotel.
- 6.34 To date, the sum of £6,560 has been realised in respect of pre-appointment debtors.

### Cash at Bank

- 6.35 As at the date of the Joint Administrators' appointment, Belmont Management had cash at bank of £82,970, which was held at NatWest. These funds have been transferred to the Administration bank account.

### Inter Company Debt

- 6.36 According to Belmont Management's books and records at the Appointment Date, there are several outstanding debts due to Belmont Management from associated companies in the NPD group is which are detailed overleaf:

	£
Caer Rhun Hotel Management Limited	34,474
Queens Hotel (Llandudno) Management Limited	58,901
Fishguard Bay Hotel Limited	24,000
Old Golf House Hotel Management Limited	3,800
<b>Total</b>	<b>121,175</b>

- 6.37 All of the associated companies are in formal insolvency processes and it is uncertain whether any of the inter-company debts are recoverable.

### Directors' Loan Account

- 6.38 The management account show the sum of £50,000 is due to Belmont Management in respect of a director's loan account.
- 6.39 The Joint Administrators are reviewing the records available to fully investigate this loan account and will be taking appropriate recovery action against the former director.
- 6.40 The Joint Administrators are not currently aware of any other assets of Belmont Management.

## 7. Investigations

- 7.1 The Joint Administrators have a statutory obligation to file a report with DBEIS regarding the conduct of the directors that held office in the three years prior to the Administration. These reports must be filed within three months from the appointment of the Joint Administrators and the content of these reports are confidential.
- 7.2 The Joint Administrators also have a duty to investigate antecedent transactions which include:
- Transactions to defraud creditors, s.423 of the Act
  - Preference payments, s.239 of the Act, and
  - Transactions at an undervalue, s.238 of the Act.

- 7.3 A further update on the investigations into the Companies' affairs will be provided in subsequent progress reports.
- 7.4 Investigations into the Companies will also form part of the detailed investigations being carried out by the Joint Administrators of NPD and Grant.

## **8. Liabilities and Dividends**

### **Secured Creditors**

#### **Belmont**

- 8.1 In consideration for the monies advanced under loan agreements Belmont granted debentures to Mysing which confer fixed and floating charges over all of the assets of Belmont of which the first was granted on 13 March 2015 and two further charges were granted on 5 December 2018.
- 8.2 As detailed in section 2 of this report, based on information held at the Appointment Date, it is understood that the indebtedness to Mysing is £1.8m subject to accruing interest and charges. However, the Joint Administrators are aware that four other companies within the NPD group have also granted charges to Mysing. The Joint Administrators have sought confirmation on how these funds were split between the respective NPD companies.
- 8.3 At this stage it is anticipated that there will be sufficient realisations to enable a distribution to Mysing following a sale of the business and assets as a going concern; the quantum of any dividend is dependent on the realisations from any sale and confirmation of the total balance due from Belmont and the validity of the security.

#### **Belmont Management**

- 8.4 The Joint Administrators understand that Belmont Management has not granted any charges. There are no charges registered at Companies House and therefore there are no secured creditors of Belmont Management.

### **Preferential Creditors**

#### **Belmont**

- 8.5 Belmont does not employ any staff and therefore there are no preferential creditors.

#### **Belmont Management**

- 8.6 Upon the sale of the Hotel, it is anticipated that Belmont Management's employees will be transferred to a purchaser via TUPE.
- 8.7 Until such time a sale of the Hotel and the business and assets of the Belmont Management has completed it remains uncertain whether there will be any preferential claims or whether there will be sufficient asset realisations to pay a distribution to preferential creditors.

### **Prescribed Part**

- 8.8 The Prescribed Part is calculated as a percentage of net property, as follows:-

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential unsecured creditors would be
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disproportionate to the benefits

Net property greater than £10,000: 50% up to £10,000 plus 20% thereafter to a maximum of £600,000

- 8.9 As previously detailed Belmont has granted floating charges to Mysing and therefore the Prescribed Part provisions will apply. Until such a time as a sale of the Hotel completes, it remains uncertain what the net property of Belmont is and whether Mysing will be paid in full and therefore it remains uncertain whether the Prescribed Part provisions will apply.
- 8.10 As previously detailed Belmont Management has not granted any charges and therefore the Prescribed Part provisions will not apply.

### Non-Preferential Creditors

- 8.11 According to Belmont's management accounts as at 31 March 2019, non-preferential creditors total £3,055,000. The non-preferential creditors can be summarised below:

Creditor	£
Trade & Expense Creditors	9,000
HMRC	250,000
Inter-Company Loan	1,326,000
Investor Buyback Provision	1,470,000
<b>Total</b>	<b>3,055,000</b>

- 8.12 The Joint Administrators are continuing to review the books and records to confirm the creditor position.
- 8.13 Based upon the current information available, it is uncertain whether there will be sufficient realisations to enable a distribution to the non-preferential creditors of Belmont other than from the Prescribed Part, if any. This is dependent on the realisations from the sale of the freehold property.
- 8.14 If not already done so, creditors of Belmont should complete the proof of debt form at Appendix 9 and return same to the Joint Administrators.

### Belmont Management

- 8.15 According to Belmont Management's management accounts at the Appointment Date, non-preferential creditors total £294,000. The non-preferential creditors can be summarised overleaf:

Creditor	Claim £
Trade & Expense Creditors	31,000
Other creditors and accruals	208,000
HM Revenue & Customs	40,000
Payroll Creditors	15,000
<b>Total</b>	<b>294,000</b>

- 8.16 The Joint Administrators are continuing to review the books and records to confirm the creditor position.
- 8.17 Based upon current information, it is uncertain whether there will be sufficient realisations to enable a distribution to the non-preferential creditors of Belmont Management. This is dependent on the realisations from the sale of the freehold property.
- 8.18 If not already done so creditors of Belmont Management should complete the proof of debt form at Appendix 9 and return same to the Joint Administrators.

## 9. Statement of Pre Administration Costs

- 9.1 Pre Administration costs are fees charged and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the company entered administration but with a view to its doing so. The Joint Administrators incurred Pre-Appointment expenses as detailed below:

### Belmont

Name of Recipient	Brief Description of Services Provided	Amount £
Duff & Phelps	Exploring the insolvency options and strategies and liaising with the Secured Creditor	4,980
DLA Piper UK LLP	Assistance in placing the Company into Administration and other ad hoc legal matters	650
<b>Total Unpaid Pre-Administration Costs</b>		<b>5,630</b>

*All amounts are stated exclusive of VAT where applicable*

### Belmont Management

9.2

Name of Recipient	Brief Description of Services Provided	Amount £
Duff & Phelps	Exploring the insolvency options and strategies	4,980

DLA Piper UK LLP	Assistance in placing the Company into Administration and other ad hoc legal matters	650
<b>Total Unpaid Pre-Administration Costs</b>		<b>5,630</b>

*\*All amounts are stated exclusive of VAT where applicable*

- 9.3 The Joint Administrators confirm that payment of the unpaid Pre-Administration costs and as expense of the Administration is subject to approval under r3.52 of the Rules and not part of the proposals subject to approval under Paragraph 53 of Schedule B1 to the Act

## 10. Costs and Expenses

### Estimated Fees and Expenses

#### Belmont

- 10.1 It is proposed that the Joint Administrators' fee basis is based on time costs
- 10.2 Fee approval will be sought from the Secured Creditor
- 10.3 The amount proposed to be drawn in fees by the Joint Administrators is shown in Appendix 5- Fee Estimate. The total amount indicated of £58,755 effectively acts as a cap on the level of fees to be drawn by the Joint Administrators
- 10.4 The time costs already charged since the appointment are analysed at Appendix 4. Time is charged in six minute units
- 10.5 Time costs totalling £4,033 have been incurred in the Reporting Period, representing 18 hours at an average charge out rate of £220
- 10.6 In accordance with SIP 9, the Joint Administrators have provided creditors with additional information regarding major areas of time below
- 10.7 Time costs totalling £1,980 were incurred in Cashiering and Accounting. These time costs have been incurred in processing all receipts and payments into the Administration estate and dealing with the set up of accounts and managing the Joint Administrators Receipts & payments account
- 10.8 Time costs totalling £1,047 were incurred in Statutory Matters (Meetings, Reports and Notices). Such time was incurred in producing the statutory notices and documents including these proposals, following the appointment and circulating these to the relevant creditors and stakeholders of the Company and filing documents at Companies House.
- 10.9 Time costs totalling £459 have been incurred in Case Review and Diary Management. This time has been incurred in dealing with managing the case diary and reviewing all initial statutory matters in the Administration.
- 10.10 The remaining time costs have mainly been incurred in Freehold & Leasehold Property, Investigations and Strategy Planning and Control

- 10.11 The Joint Administrators estimate the expenses of the Administration to total approximately £45,310 (as shown in Appendix 7 Estimated Expense Schedule). This Schedule illustrates the estimated expenses for the whole of the Administration and is for information purposes only. No approval is required by creditors. This estimate may change over the course of the Administration but creditors will be informed of any variations with associated reasons in the six monthly Progress Reports.
- 10.12 Also attached at Appendix 6 is the Fee Narrative, a summary of key issues, to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors, if any, are in the body of this report.
- 10.13 Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is in Appendix 8.

### **Belmont Management**

- 10.14 It is proposed that the Joint Administrators' fee basis is based on time costs.
- 10.15 Fee approval will be sought from the creditors.
- 10.16 The amount proposed to be drawn in fees by the Joint Administrators is shown in Appendix 5- Fee Estimate. The total amount indicated of £131,635 effectively acts as a cap on the level of fees to be drawn by the Joint Administrators.
- 10.17 The time costs already charged since the appointment are analysed at Appendix 4. Time is charged in six minute units.
- 10.18 Time costs totalling £5,858 have been incurred in the Reporting Period, representing 33 hours at an average charge out rate of £179.
- 10.19 In accordance with SIP 9, the Joint Administrators have provided creditors with additional information regarding major areas of time below:
- 10.20 Time costs totalling £1,254 were incurred in Statutory Matters (Meetings, Reports and Notices). Such time was incurred in producing the statutory notices and documents including these proposals, following the appointment and circulating these to the relevant creditors and stakeholders and filing documents at Companies House.
- 10.21 Time costs totalling £1,149 have been incurred in Trading – Accounting. Such time has been spent processing all receipts into the Administration estate and managing the payments required to enable trading of the Hotel.
- 10.22 Time costs totalling £778 have been incurred in respect of Strategy, Planning and Control. Such time was incurred in discussing the strategy for the Administration both internally and with external advisors.
- 10.23 Time costs totalling £765 have been incurred in trading – operations. These time costs have been incurred in the general trading of the Hotel including liaising with Assured and Hotel staff with operational queries and queries from suppliers.
- 10.24 The remaining time costs have been incurred in respect of case review and diary management, creditors, realisation of assets and investigations.

- 10.25 The Joint Administrators estimate the expenses of the Administration to total approximately £84,311 (as shown in Appendix 7 Estimated Expense Schedule). This Schedule illustrates the estimated expenses for the whole of the Administration and is for information purposes only. No approval is required by creditors. This estimate may change over the course of the Administration but creditors will be informed of any variations with associated reasons in the six monthly Progress Reports.
- 10.26 Also attached at Appendix 6 is the Fee Narrative, a summary of key issues, to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors, if any, are in the body of this report.
- 10.27 Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is in Appendix 8.

## **11. Joint Administrators' Receipts and Payments Account**

- 11.1 Receipts and Payments accounts for both Companies are provided at Appendix 2.
- 11.2 A separate Receipts and Payments account has been prepared for the Administration trading period. This is also attached at Appendix 2.

## **12. EC Regulation**

- 12.1 It is the Joint Administrators' opinion that the EC Regulation applies and these proceedings are main proceedings as defined in Article 3 of the EC Regulation.

## **13. Approval of Proposals**

### **Belmont**

- 13.1 The Creditors' decision on the approval of these proposals will not be sought as the Joint Administrators believe that the Companies will have insufficient property to enable a distribution to be made to non-preferential creditors, other than via the Prescribed Part (if any).
- 13.2 The Joint Administrators proposals will be deemed approved by the creditors unless creditors whose debts amount to at least 10% of the total debts of the Company request the Joint Administrators to seek a specific decision from the Company's creditors.
- 13.3 Further information is provided in Appendix 8, Statement of Creditors' Rights.

### **Belmont Management**

- 13.4 The Joint Administrators are seeking creditors' approval of the Proposals, which are summarised at section 16 below, by means of the process set out in Rule 15.7 (Deemed Consent) of the Rules.
- 13.5 The deemed consent approval being sought excludes the approval of fees and costs. Creditors are not required to vote on these proposed decisions, but they may object to their approval. Please see the Notice of Decision Procedure attached at Appendix 11 for further information.
- 13.6 Unless the Joint Administrators receive the requisite number of objections to the proposed decision to approve the Statement of Proposals or of requests to convene a physical meeting as set out in the Notice of Decision Procedure, creditors will be deemed to have consented to approve the Statement of Proposals. A Statement of Creditors' Rights is attached at Appendix 8 for additional information.

#### **14. Voting by Correspondence on the Proposals**

##### **Belmont Management**

- 14.1 The Joint Administrators are seeking creditors' approval of the Proposals which relate to fees and costs only, by means of a vote by correspondence
- 14.2 Creditors are invited to vote on these proposed decisions by completing and returning the enclosed voting form together with a proof of debt form, if one has not already been submitted. The Proof of Debt Form is attached at Appendix 9 and a Notice to Creditors of Business by Correspondence at Appendix 10 setting out the following proposed decisions
- a. The establishment of a Committee only if sufficient nominations are received by the Decision Date
  - b. That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986 upon filing the end of the Administration or their appointment otherwise ceasing
  - c. That the Joint Administrators' fees be fixed by reference to time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge our rate of the grade of staff undertaking the work at the time it was undertaken
  - d. That the Joint Administrators' Fee Estimate in the total sum of £131,635 for the life of the Administration is approved; and
  - e. That the Joint Administrators be authorised to recover all Category 2 Disbursements.
  - f. That the Joint Administrators Pre-Administration costs totalling £5,630 be approved

#### **15. End of the Administration**

- 15.1 The options available to the Joint Administrators for the exit from the Administrations are as follows:
- Compulsory Liquidation
  - Creditors' Voluntary Liquidation
  - Company Voluntary Arrangement
  - Return of control to the Director(s)
  - Dissolution of Company
- 15.2 The exit route from the Administrations is currently uncertain, as this will be dependent on the realisations from any sale of the business and assets of the Companies.
- 15.3 Administrators are only able to distribute to non-preferential creditors under the Prescribed Part. The Joint Administrators anticipate that the Prescribed Part provisions may not apply should the Secured Creditor be paid in full. Should the Secured Creditor be paid in full and there be funds available to distribute to non-preferential creditors in either of the Companies, the company will have to be placed into Creditors Voluntary Liquidation for a distribution to be paid to the non-preferential creditors.

- 15.4 Should there not be funds available to distribute to the non-preferential creditors, the Joint Administrators recommended that the Companies be dissolved.
- 15.5 Once all outstanding matters have been satisfactorily completed by the Joint Administrators, they will give notice to the Registrar of Companies to the effect that the Companies have no remaining property to realise which might permit a (further) distribution to its non-preferential creditors, at which stage the Administration will cease. The Company will be dissolved three months following the registration of the notice at the Registrar of Companies.
- 15.6 You will note from the Proposals section below that the Joint Administrators have left the choice of exit route from Administration open so that an alternative strategy can be adopted, should this prove more appropriate at the time.

## **16. Joint Administrators' Proposals**

### **Belmont and Belmont Management**

- 16.1 The Joint Administrators' Proposals shall be deemed approved by the creditors on the expiry of the period in which a decision can be requisitioned by creditors as detailed in the Appendix 8 Section 13 above and in paragraphs 16.1.1 to 16.1.4 below.
- 16.1.1 That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Companies as the Joint Administrators consider necessary until such time as the Administrations cease to have effect.
- 16.1.2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administrations.
- 16.1.3 That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Companies have no remaining property which might permit a distribution to the creditors, at which stage the Administrations will cease.
- 16.1.4 That the Joint Administrators, where they consider that there are funds available to be distributed to the non-preferential creditors (other than under the Prescribed Part) take the necessary steps to put the Companies into either Creditors' Voluntary Liquidation or into compulsory liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Philip Duffy and Sarah Bell of Duff & Phelps would act as Joint Liquidators should the Companies be placed into Creditors' Voluntary Liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.

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

## Belmont

16.2 The Joint Administrators will be seeking specific agreement to the following Proposals from the Secured Creditor:

- a) That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986 upon filing the end of the Administration or their appointment otherwise ceasing
- b) Where a Creditors' Committee is not established, that the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration
- c) Where a Creditors' Committee is not established, that the Joint Administrators' Fee Estimate in the total sum of £58,775 is approved
- d) Where a Creditors' Committee is not established, that the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration (Category 2 Disbursements)

And also the following resolution (which is not part of the Proposals)

- e) Where a Creditors' Committee is not established, that the Unpaid Pre Administration costs totalling £5,630 plus VAT as detailed in the Joint Administrators' statement of pre Administration costs is approved for payment as an expense of the Administration

## 17. Other Matters

17.1 If any creditor has any information concerning the Companies affairs that they would like to bring to the Joint Administrators' attention, then they would be pleased to hear from them

17.2 If you require further information or assistance, please do not hesitate to contact Heather Barnes

Philip Duffy  
Joint Administrator

Enc

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





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## Appendix 1

### Statutory Information

## Statutory Information

### Belmont

Date of Incorporation	7 January 2015
Registered Number	09377751
Company Director(s)	Iain Shelton Robin Forster (resigned (2 January 2016) Gavin Woodhouse (resigned July 2019)
Company Secretary	None appointed
Shareholders	NPD
Trading Address	n/a
Registered Office	<b>Current:</b> Duff & Pheips The Chancery 58 Spring Gardens Manchester M2 1EW  <b>Former:</b> Unit D2 Elland Ridges Link Elland HX5 9DG

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## Statutory Information

### Belmont Management

**Date of Incorporation** 7 January 2015

**Registered Number** 09377712

**Company Director(s)** Iain Shelton  
Gavin Woodhouse (resigned July 2019)  
Simon Moppet (resigned May 2016)  
Christopher Evans (resigned March 2018)  
Juliette Donovan (resigned June 2017)

**Company Secretary** None appointed

**Shareholders** NPD

**Trading Address** Belmont Hotel  
North Parade  
The Promenade  
Llandudno  
LL30 1BE

**Registered Office** **Current:**  
Duff & Phelps  
The Chancery  
58 Spring Gardens  
Manchester  
M2 1EW

**Former:**  
Unit D2  
Elland Riorges Link  
Elland  
HX5 9DG

## Belmont - Financial Information

### Balance Sheet

	As at financial statements for the year ended 31 March 2018	As at financial statements for the year ended 31 March 2017
<b>Fixed Assets</b>		
Tangible assets	8,747	10,970
Investment Property	2,620,000	792,291
	<b>2,628,747</b>	<b>803,261</b>
<b>Current Assets</b>		
Debtors	226,364	984,745
<b>Creditors</b>		
Amounts falling due within one year	498,989	1,023,747
<b>Net Current Assets/Liabilities</b>	<b>(272,625)</b>	<b>(39,002)</b>
<b>Total Assets less Current Liabilities</b>	<b>2,356,122</b>	<b>764,259</b>
<b>Creditors</b>		
Amounts falling due after more than one year	(1,610,715)	(1,571,429)
<b>Provisions for liabilities</b>	<b>(250,003)</b>	<b>-</b>
<b>Net Assets/(Liabilities)</b>	<b>495,404</b>	<b>(807,170)</b>
<b>Capital and Reserves</b>		
Called up share capital	100	100
Retained earnings	495,304	(807,270)
<b>Shareholders Funds</b>	<b>494,404</b>	<b>(807,170)</b>

Belmont Hotel Limited and Belmont Hotel Management Limited (in Administration)  
Joint Administrators' Report to Creditors and Statement of Proposals  
1 November 2019

## Belmont Management - Financial Information

### Balance Sheet

	As at financial statements for the year ended 31 March 2018	As at financial statements for the year ended 31 March 2017 As restated
<b>Fixed Assets</b>		
Tangible assets	1,042,710	429,779
<b>Current Assets</b>		
Stocks	7,607	-
Debtors	183,769	97,972
Cash at bank and in Hand	10,738	1,523
	<b>202,114</b>	<b>99,495</b>
<b>Creditors</b>		
Amounts falling due within one year	1,944,134	869,704
<b>Net Current Assets /(Liabilities)</b>	<b>(1,742,020)</b>	<b>(770,209)</b>
<b>Total Assets Less Current Liabilities</b>	<b>(699,310)</b>	<b>(340,430)</b>
<b>Provisions for liabilities</b>	-	(1,910)
<b>Net Liabilities</b>	<b>(699,310)</b>	<b>(338,520)</b>
<b>Capital and Reserves</b>		
Called up share capital	100	100
Retained earnings	(699,410)	(338,620)
<b>Shareholders Funds</b>	<b>(699,310)</b>	<b>(338,520)</b>

## **Appendix 2**

### **Receipts and Payments Accounts**



## Appendix 3

### Schedule of Creditors and Estimated Assets and Liabilities

## **Appendix 4**

### **Analysis of Time Charged and Expenses Incurred**

## **Appendix 5**

### **Fee Estimates**

## **Appendix 6**

### **Fee Narratives**

## **Appendix 7**

### **Estimated Expenses of the Administrations**

## **Appendix 8**

### **Statement of Creditors' Rights**

## Appendix 9

### Proof of Debt Forms

**Appendix 10**

**Notice to Creditors of Business by Correspondence**



## **Appendix 11**

### **Notice of Decision Procedure**

## **Appendix 10**

**Disclosure in Accordance with  
Statement of Insolvency Practice 16 "Pre-Packaged Sales in Administrations"**

## **Statutory Information**

### **Belmont**

<b>Date of Incorporation</b>	7 January 2015
<b>Registered Number</b>	09377751
<b>Company Director(s)</b>	Iain Shelton Robin Forster (resigned (2 January 2016) Gavin Woodhouse (resigned July 2019)
<b>Company Secretary</b>	None appointed
<b>Shareholders</b>	NPD
<b>Trading Address</b>	n/a
<b>Registered Office</b>	<b>Current:</b> Duff & Phelps The Chancery 58 Spring Gardens Manchester M2 1EW  <b>Former:</b> Unit D2 Elland Ridges Link Elland HX5 9DG

## **Statutory Information**

### **Belmont Management**

**Date of Incorporation** 7 January 2015

**Registered Number** 09377712

**Company Director(s)** Iain Shelton  
Gavin Woodhouse (resigned July 2019)  
Simon Moppet (resigned May 2016)  
Christopher Evans (resigned March 2018)  
Juliette Donovan (resigned June 2017)

**Company Secretary** None appointed

**Shareholders** NPD

**Trading Address** Belmont Hotel  
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The Promenade  
Llandudno  
LL30 1BE

**Registered Office** **Current:**  
Duff & Phelps  
The Chancery  
58 Spring Gardens  
Manchester  
M2 1EW

**Former:**  
Unit D2  
Elland Riores Link  
Elland  
HX5 9DG

## Belmont - Financial Information

### Balance Sheet

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Investment Property	2,620,000	792,291
	<b>2,628,747</b>	<b>803,261</b>
<b>Current Assets</b>		
Debtors	226,364	984,745
<b>Creditors</b>		
Amounts falling due within one year	498,989	1,023,747
<b>Net Current Assets/Liabilities</b>	<b>(272,625)</b>	<b>(39,002)</b>
Total Assets less Current Liabilities	2,356,122	764,259
<b>Creditors</b>		
Amounts falling due after more than one year	(1,610,715)	(1,571,429)
<b>Provisions for liabilities</b>	<b>(250,003)</b>	<b>-</b>
<b>Net Assets/(Liabilities)</b>	<b>495,404</b>	<b>(807,170)</b>
<b>Capital and Reserves</b>		
Called up share capital	100	100
Retained earnings	495,304	(807,270)
<b>Shareholders Funds</b>	<b>494,404</b>	<b>(807,170)</b>

## Belmont Management - Financial Information

### Balance Sheet

	As at financial statements for the year ended 31 March 2018	As at financial statements for the year ended 31 March 2017 As restated
<b>Fixed Assets</b>		
Tangible assets	1,042,710	429,779
<b>Current Assets</b>		
Stocks	7,607	-
Debtors	183,769	97,972
Cash at bank and in Hand	10,738	1,523
	<b>202,114</b>	<b>99,495</b>
<b>Creditors</b>		
Amounts falling due within one year	1,944,134	869,704
Net Current Assets /(Liabilities)	(1,742,020)	(770,209)
Total Assets Less Current Liabilities	(699,310)	(340,430)
<b>Provisions for liabilities</b>	-	(1,910)
<b>Net Liabilities</b>	<b>(699,310)</b>	<b>(338,520)</b>
<b>Capital and Reserves</b>		
Called up share capital	100	100
Retained earnings	(699,410)	(338,620)
<b>Shareholders Funds</b>	<b>(699,310)</b>	<b>(338,520)</b>

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## Appendix 2

### Receipts and Payments Accounts

**Belmont Hotel Limited  
(In Administration)  
Administratorss' Summary of Receipts & Payments  
To 31/10/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
		<b>NIL</b>
REPRESENTED BY		<b>NIL</b>

Note:



**Belmont Hotel Management Limited**  
**(In Administration)**  
**Administratorss' Trading Account**  
**To 31/10/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
POST APPOINTMENT SALES		
Sales	26,013.07	
Credit card sales	49,361.17	
		75,374.24
OTHER DIRECT COSTS		
Direct Labour	21,035.91	
Consumable Stores	111.02	
		(21,146.93)
TRADING EXPENDITURE		
Professional Fees	12,186.03	
Ransom payments	2,410.09	
Repairs & Maintenance	260.00	
Sales Commission	14,112.14	
Food	4,193.86	
Laundry	3,152.08	
Drinks	1,917.41	
		(38,231.61)
<b>TRADING SURPLUS/(DEFICIT)</b>		<b>15,995.70</b>

**Belmont Hotel Management Limited**  
**(In Administration)**  
**Administrators' Summary of Receipts & Payments**  
**To 31/10/2019**

<b>S of A £</b>	<b>£</b>	<b>£</b>
ASSET REALISATIONS		
Debtors	6,559.74	
Cash at Bank	82,970.15	
Trading Surplus/(Deficit)	15,995.70	
		105,525.59
COST OF REALISATIONS		
Statutory Advertising	87.48	
		(87.48)
		<b>105,438.11</b>
REPRESENTED BY		
VAT Receivable		4,132.39
Floating/main current account		116,380.58
VAT payable		(15,074.86)
		<b>105,438.11</b>

## **Appendix 3**

### **Schedule of Creditors and Estimated Assets and Liabilities**

**Insolvency Act 1986**  
**Belmont Hotel Limited**  
**Estimated Statement Of Assets & Liabilities as at 12 September 2019**

	Book Values £	Estimated to Realise £
<b>Assets Subject to Fixed Charge</b>		
Leasehold Property	2,625,000	Uncertain
Less: Mysing	(1,880,000)	(1,880,000)
Surplus/(Deficiency) c/d		(1,880,000)
<b>Floating Charge Assets</b>		
Plant & Machinery	9,000	Uncertain
Intercompany Accounts	812,000	Uncertain
<b>Funds Available to Preferential Creditors</b>		-
Less: Preferential Creditors		-
Estimated (Deficiency) / Surplus as regards preferential creditors		-
Estimated Prescribed Part of Net Property where applicable		(3,000)
<b>Estimated total assets available for floating charge creditors</b>		(3,000)
Less: Floating Charge Creditor: Mysing b/d		(1,880,000)
Estimated (Deficiency) / Surplus as regards Floating Charge Creditor		(1,883,000)
Estimated prescribed part of net property (b/d)		3,000
<b>Estimated Funds Available to Non-Preferential Creditors</b>		3,000
Less: Non-Preferential Claims		
Trade Creditors		(9,000)
Investor Buy Back Postion		(1,470,000)
Tax and Social Security		(100,000)
Inter-Company Accounts		(1,326,000)
<b>Estimated Deficiency to Non-Preferential Creditors</b>		(2,902,000)
Issued and Called Up Share Capital		(1)
<b>Estimated Total Deficiency to Shareholders</b>		(4,785,001)

Belmont Limited (in Administration)

Notes to the Estimated Financial Position

1. The book value of the freehold property has been taken from the management accounts provided by Belmont for the period January 2019 to March 2019. The ETR is currently uncertain and no further information will be released at this time so as not to prejudice any sale of the Hotel.
2. The balance of the inter-company loans have also been taken from the management accounts. The ETR value is uncertain on the basis that many of the associated companies are in formal insolvency processes.
3. The management accounts also show plant & machinery. The Joint Administrators and the agents are investigating the plant & machinery and any sale is likely to form part of a going concern sale of the Hotel.
4. Creditor balances are based on Belmont's management accounts for the period January 2019 to March 2019. The estimated liability does not take into account the professional fees, expenses and disbursements incurred to date and to be incurred during the course of the Administration.

**Duff & Phelps Ltd.  
Belmont Hotel Limited  
B - Company Creditors**

Key	Name	Address	£
CA00	Company's accountants		0.00
CA01	Company's other advisers		0.00
CA02	Afan Valley Limited		39,000.00
CB00	Bracken Country House Limited		51,000.00
CD00	Debenture Holder		0.00
CE00	Electricity company		0.00
CF00	Factoring company		0.00
CF01	Foxglove Hotel Limited		76,000.00
CG00	Gas company		0.00
CH02	HM Revenue & Customs		0.00
		Enforcement & Insolvency Service (EIS), Durrington Bridge House, Worthing, West Sussex, BN12 4SE	
CI04	Company's insurer		0.00
CL00	Landlord		0.00
CM00	Metis Law	84 Albion Street, Leeds, LS1 6AD	6,000.00
CN00	Northern Powerhouse Developments Limited		1,255,427.89
CP00	Company's pension company		0.00
CP01	Phone company - landline		0.00
CP02	Phone company - mobiles		0.00
CP03	Petitioning creditor		0.00
CR01	Redundancy Payments Service	P O Box 16685, BIRMINGHAM, B2 2LX	0.00
CS00	Company's Solicitors		0.00
CT00	The Coach House Hotel Limited		63,331.51
CW00	Work introducer		0.00
CW01	Water board		0.00
CW02	Williamson & Croft	Barnett House, 53 Fountain Street, Manchester, M2 2AN	600.00
CW03	Woodhouse Family Limited		7,400.00
<b>25 Entries Totalling</b>			<b>1,498,759.40</b>

Signature \_\_\_\_\_

**Belmont Hotel Management Limited (In Administration)**  
**Estimated Financial Position at 12 September 2019**

	Notes	Book Value £	Estimated to Realise £
<b>Assets</b>			
Cash at Bank	1	82,970	82,970
Plant, Machinery & Equipment	2	54,000	Uncertain
Furniture & Fixtures		997,000	Uncertain
Stock		7,000	Uncertain
Directors' Loan Account		50,000	Uncertain
Inter Compay		121,175	Uncertain
Pre-Payments and Other Debtors	3	14,000	Uncertain
<b>Surplus/(Deficiency) c/d</b>			<b>82,970</b>
Employees Arrears of Pay and Holiday Pay	4		-
<b>Creditors</b>	5		
Trade and Expense Creditors			(31,000)
Other Creditors and Accruals			(208,000)
HM Revenue & Customs			(40,000)
Payroll Creditors			(15,000)
<b>Estimated liability to non-preferential creditors</b>			<b>(294,000)</b>
Share capital			(1)
<b>Estimated liability to shareholders</b>			<b>(294,001)</b>

**Belmont Management Limited (in Administration)**  
**Notes to the Estimated Financial Position**

1. The cash held in Belmont Management's pre appointment bank account has been transferred into the Administration estate
2. The book value for the Plant, Machinery & Equipment, Furniture, Fixtures and Stock is also taken from the management accounts. The ETR is currently uncertain and no further information will be released at this time so as not to prejudice any sale of the Hotel.
3. The ETR value for the debtors is based on the value of a ledger taken from the management accounts of Belmont Management.
4. Based on current information it is not anticipated that there will be any liability to employees in respect of Arrears of Pay or Holiday Pay
5. Creditor balances are based on Belmont Management's records at the Appointment Date. The estimated liability does not take into account future professional fees, expenses and disbursements or any incurred to date during the course of the Administration.



**Duff & Phelps Ltd.**  
**Belmont Hotel Management Limited**  
**B - Company Creditors**

Key	Name	Address	£
CA00	Company's accountants		0.00
CA01	Company's other advisers		0.00
CA02	Abbot Fire Group Ltd (A/C BELMONT1)	Abbots Barn, Raddcliffe Road, Gawcott, Buckingham, MK18 4AA	285.00
CA03	AC Electrical (North Wales) Ltd	Office 21, Tyledesley House, Clarence Road, Llandudno, LL30 1TW	180.00
CA04	Afonwen Laundry (A/C B001)	15 Cradock Rd, Reading, RG2 0EE	2,683.28
CA05	A Hughes & Co	Unit 9, Hampton Heath Industrial Estate, SY14 8LU	484.20
CB00	Beverages Direct Limited (A/C BELMONT)	8 Dakota Business Park, Skyhawk Avenue, Liverpool, Merseyside, L19 2QR	(264.99)
CB01	Booking.com (A/C 2336462)	P.O. Box 1639, 1000 BP Amsterdam	7,215.10
CB02	Brierstone Ltd	351 Whalley Road, Clayton Le Moors, BB5 5QZ	540.00
CC00	Castell Howell Foods Ltd (A/C QBM008)	Cross Hands Food Park, Cross Hands, Llanelli, Carmarthenshire, SA14 6SX	52.36
CC01	Commercial Catering Engineers Ltd	Unit 3, Parc Fforddlas, Rhyd, Denbighshire, LL18 2QO	120.00
CC02	Clearview Wales	Glan Gors, Llanaelhaearn, LL54 5AG	130.00
CC03	Country Fresh Foods Ltd (A/C 1253)	Units A & B Holbrook Enterprise Centre, Enterprise Way, Halfway, Sheffield, S20 3GH	667.43
CD00	Debiture Holder		0.00
CE00	Electricity company		0.00
CE01	Eurooffice (UK) Ltd (A/C EO06458363)	Dome House, 48 Artillery Lane, London, E1 7LS	350.79
CE02	Expedia Lodging Partner Services Sarl	Rue du 31 Decembre 40-42 et 44-46	318.79
CF00	Factoring company		0.00
CF01	Fry Fresh Edible Oils Ltd	Unit 1 Vauxhall Industrial Estate, LL14 6HA	409.80
CG00	Gas company		0.00
CG01	Guest Supply Europe Ltd (A/C 86748701)	Unit 1 John Wesley Road, Werrington, Peterborough, PE4 6EZ	341.28
CG02	Guestline Ltd (A/C LLAN06)	Guestline House, Shrewsbury Business Park, SY2 6LG	1,930.15
CG03	GuestRevu Ltd	Office 7, 35-37 Ludgate Hill, London, EC4M 7JN	73.44
CH02	HM Revenue & Customs	Enforcement & Insolvency Service (EIS), Durrington Bridge House, Worthing, West Sussex, BN12 4SE	0.00
CH03	Harlech Foodservice Ltd (A/C BEL015)	Food Park, Llanystumdwy, Criccieth, Gwynedd, LL52 0LJ	9,096.53
CH04	H N Nuttall Ltd (A/C BELMONT)	Newton Moor Industrial Estate, Newton, SK14 4LF	2,363.84
CH05	Hotelshop (A/C THEB027)	Brine Well House, Tower Hill, Droitwich Spa, Worcestershire, WR9 8BY	(387.50)
CI04	Company's insurer		0.00
CI05	Initial Washroom Hygiene	Credit control, PO Box 4975, DY1 9FA	453.60

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**Belmont Hotel Management Limited**  
**B - Company Creditors**

Key	Name	Address	£
CJ00	James Payne (Llandudno) Ltd (A/C 027290)	28 Vaughan Street, LL30 1AB	41.77
CJ01	Journey Holdings Ltd	Elmstone Business Park, Stoke Road, Elmstone Hardwicke, Cheltenham, GL51 9SY	199.02
CL00	Landlord		0.00
CL01	Llandudno Wholesale Ltd	98 Trinity Avenue, LL30 2YQ	202.20
CM00	M&J Seafood	209 Cavendish Place, Birchwood Park, Warrington, WA3 6WU	660.04
CM01	Melcrest Ltd	7 Curo Park, Frogmore, St Albans, AL2 2DD	(366.60)
CM02	Mercury Catering Engineers	Unit 10 Mercury Units, Tir Llwyd Enterprise Park, Kinnel Bay, Conwy, LL18 5JZ	107.40
CM03	Mostyn Estates Ltd	Mostyn Court, 2 Mostyn Street, LL30 2PS	8,004.64
CN00	Neve Fleetwood - Seafood Holdings Ltd (A/C LB 19 Copse Road, Fleetwood, Lancashire, FY7 6RP		50.51
CN01	NT Independent Networks Ltd (A/C NT003545)	H2o Business Park, Lake View Drive, Nottingham, NG15 0HT	134.83
CN02	NYS Meetings & Events	Quantum House, Innovation Way, York, YO10 5BR	5.50
CP00	Company's pension company		0.00
CP01	Phone company - landline		0.00
CP02	Phone company - mobiles		0.00
CP03	Petitioning creditor		0.00
CR01	Redundancy Payments Service		0.00
CS00	Company's Solicitors		0.00
CS01	Shorrock Trichem Limited (A/C 23754/0)	P O Box 16685, BIRMINGHAM, B2 2LX	133.21
CS02	Size Creative Ltd	Charters Industrial Estate, Atherton, M46 9SD	190.00
CS03	SSE Electric (A/C 48620 70412)	117a Darley Avenue, Manchester, Greater Manchester, M21 7QR	6,130.85
CS04	SSE Gas (A/C 79748 60410)	SSE, PO Box 514, RG21 8WS	1,169.22
CS05	Stockcheck Ltd (A/C WHISBELM)	SSE, PO Box 514, RG21 8WS	330.00
CT00	Total Produce (A/C A-0342A)	The Water Mill, Broughton Hall, Skipton, BD23 3AG	1,448.95
CT01	TV Licensing	Gaerwen Uchaf Business Park, Gaerwen, Anglesey, LL60 6DN	(618.00)
CU00	UpsellGuru GmbH	Hotel Licencing, TV Licencing, BS98 1TL	19.18
CU01	Urban Planters North West (A/C BEL04)	Unit 5, Waverton Business Park, Saughton Lane, Waverton, Cheshire, CH3 7PD	390.00
CW00	Work introducer		0.00
CW01	Water board		0.00
CW02	Williamson & Croft LLP	Barnett House, 53 Fountain Street, Manchester, M2 2AN	600.00
EA00	Anthony Lowndes	59 Abbey Road, Rhos on sea, Conwy, LL28 4NR	0.00

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**Belmont Hotel Management Limited**  
**B - Company Creditors**

Key	Name	Address	£
EC00	Cynthia Avila	Flat 11, 19 Ormeside Court, Church Walks, Llandudno, LL30 2HG	0.00
EC01	Chloe Morgan	34 Coed Coch Road, Old Colwyn, Conwy, LL29 9UP	0.00
EE00	Emlyn Roberts	27 Pentraeth, Old Colwyn, Colwyn Bay, Conwy, LL29 9YN	0.00
EE01	Emilia Tremarco	12 Bodafon Street, Llandudno, Conwy, LL30 2LD	0.00
EH00	Hayley Rivers	166 High Street, Prestatyn, Denbighshire, LL19 9BW	0.00
EH01	Holly Hughes	25 Cae Tyddyn, Llanrwst, Conwy, LL26 0BL	0.00
EJ00	Joshua Roberts	6 Pentraeth, Old Colwyn, Colwyn Bay	0.00
EJ01	Jordan Roberts	66 Top Llan Road, Glan Conwy, Conwy, LL28 5ND	0.00
EK00	Keelan Williams	34 York Road, Colwyn Bay, Conwy, LL29 7EN	0.00
EK01	Kaysha Roberts	92 Trinity Avenue, Llandudno, Conwy, LL30 2YQ	0.00
EL00	Liam Donnelly	44 Bryniau Road, Llandudno, Conwy, LL30 2DZ	0.00
EM00	Meghan Davis	18 Russell Avenue, Colwyn Bay, Conwy, LL29 7TR	0.00
EM01	Michael McKinlay	8 St Davids Place, Llandudno, Conwy, LL30 2UG	0.00
EM02	Matthew Ray	8 Bryn Castell, Conwy, Conwy, LL32 8LF	0.00
EN00	Nathan Evans	Carnethy, York Road, Deganwy, Conwy, LL31 9PX	0.00
EN01	Niall Westwood	4 Churchill Close, Llandudno, Conwy, LL30 1HY	0.00
EP00	Phillipa Taylor	6 Maes Glanarfon, Llanfairfechan, Conwy, LL33 0AF	0.00
ES00	Simon Hughes	24 Maes Y Cwm, Llandudno, Conwy, LL30 1JE	0.00
ES01	Sadie Owen	21 Copa'r Bryn, Llysfaen, Colwyn Bay, Conwy, LL29 8TJ	0.00
ET00	Tiegan Thomas	21 Morawel, Old Colwyn, Conwy, LL29 9LG	0.00
<b>79 Entries Totalling</b>			<b>45,875.82</b>

Signature \_\_\_\_\_

## **Appendix 4**

### **Analysis of Time Charged and Expenses Incurred**

109471 BELMONT HOTEL LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 12/09/2019 to 01/11/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Managing Director	Manager	Hours Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
<b>Administration and Planning</b>								
Case review & Case Diary management	0.00	1.25	0.00	0.35	0.00	1.60	459.00	286.88
Cashiering & accounting	0.00	3.80	0.90	0.35	0.00	5.05	1,980.25	392.13
IPS set up & maintenance	0.00	0.00	0.00	0.20	0.00	0.20	23.00	115.00
Statutory matters (Meetings & Reports & Notices)	0.00	0.00	0.00	9.00	0.00	9.00	1,047.00	116.33
Strategy planning & control	0.00	0.00	0.00	0.55	0.00	0.55	87.25	158.64
<b>Creditors</b>								
Communications with Creditors / Employees	0.00	0.00	0.00	0.70	0.00	0.70	150.75	215.36
Secured Creditors	0.00	0.00	0.20	0.00	0.00	0.20	64.00	320.00
<b>Investigations</b>								
CDDA & reports & Communication	0.00	0.00	0.00	0.10	0.00	0.10	23.50	235.00
<b>Realisation of Assets</b>								
Freehold and Leasehold Property	0.00	0.00	0.00	0.90	0.00	0.90	197.75	219.72
<b>Total Hours:</b>	<b>0.00</b>	<b>5.05</b>	<b>1.10</b>	<b>12.15</b>	<b>0.00</b>	<b>18.30</b>		<b>220.36</b>
<b>Total Fees Claimed: £</b>	<b>0.00</b>	<b>2,052.75</b>	<b>370.00</b>	<b>1,609.75</b>	<b>0.00</b>		<b>4,032.50</b>	

109777 BELMONT HOTEL MANAGEMENT LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 12/09/2019 to 01/11/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Managing Director	Manager	Hours Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
<b>Administration and Planning</b>								
Case review & Case Diary management	0.00	0.50	0.00	0.00	0.00	0.50	167.50	335.00
Cashiering & accounting	0.00	0.00	0.00	4.45	0.00	4.45	592.75	133.20
IPS set up & maintenance	0.00	0.00	0.00	3.30	0.00	3.30	379.50	115.00
Statutory matters (Meetings & Reports & Notices)	0.00	0.00	0.00	10.80	0.00	10.80	1,254.00	116.11
Strategy planning & control	0.00	1.90	0.00	0.80	0.00	2.70	778.00	288.15
<b>Creditors</b>								
Communications with Creditors / Employees	0.00	0.00	0.00	1.80	0.00	1.80	333.00	185.00
<b>Investigations</b>								
CDDA & reports & Communication	0.00	0.00	0.00	0.10	0.00	0.10	23.50	235.00
Financial review and investigations (S238/239 etc)	0.00	0.00	0.00	2.70	0.00	2.70	310.50	115.00
<b>Trading</b>								
Trading - Accounting	0.00	2.75	0.80	0.00	0.00	3.55	1,149.25	323.73
Trading - Employees	0.00	0.00	0.00	0.45	0.00	0.45	105.75	235.00
Trading - Operations	0.50	1.00	0.00	0.70	0.00	2.20	764.50	347.50
<b>Total Hours:</b>	<b>0.50</b>	<b>6.15</b>	<b>0.80</b>	<b>25.10</b>	<b>0.00</b>	<b>32.55</b>		<b>179.98</b>
<b>Total Fees Claimed: £</b>	<b>265.00</b>	<b>2,085.75</b>	<b>228.00</b>	<b>3,279.50</b>	<b>0.00</b>		<b>5,858.25</b>	

## **Appendix 5**

### **Fee Estimates**

## Fee Estimate

### Belmont Hotel Limited

From 12 September 2019 for the period of the Administration

Administration - Post Appointment (New)							
Classification of Work Function	Hours				Total Hours	Time Cost	Avg. Hourly
	Partner	Manager	Senior	Assistant	Support		
Admin & Planning							
Case review and Case Diary management	2.00	3.00	0.00	6.00	0.00	3,760.00	341.82
Cashiering & accounting	0.00	1.00	0.00	3.00	0.00	1,110.00	277.50
Dealings with Directors and Management	1.00	2.00	0.00	2.00	0.00	1,910.00	382.00
Insurance	0.00	2.00	0.00	2.00	0.00	1,380.00	345.00
IPS set up & maintenance	0.00	1.00	0.00	2.00	0.00	900.00	300.00
Statement of affairs	0.00	1.00	0.00	2.00	0.00	900.00	300.00
Statutory matters (Meetings, Reports and Notices)	2.00	6.00	0.00	12.00	0.00	6,460.00	323.00
Strategy planning & control	3.00	6.00	7.00	5.00	0.00	7,515.00	357.86
Tax Compliance/Planning	0.00	1.00	0.00	2.00	0.00	900.00	300.00
Creditors							
Communications with Creditors/Employees	0.00	1.00	0.00	6.00	0.00	1,740.00	248.57
Correspondence with Investors	2.00	2.00	0.00	4.00	0.00	2,860.00	357.50
Secured Creditor	0.00	3.00	1.00	2.00	0.00	2,145.00	357.50
Non Pref Creditors/Employee claims handling	0.00	1.00	0.00	4.00	0.00	1,320.00	264.00
Investigations							
CDDA, reports & Communication	3.00	8.00	0.00	8.00	0.00	7,110.00	374.21
Disputes & Investigations	1.00	2.00	3.00	3.00	0.00	2,975.00	330.56
Financial review and investigations (S238/239 etc)	1.00	2.00	0.00	4.00	0.00	2,330.00	332.86
Realisation of assets							
Freehold & Leasehold Property	6.00	12.00	4.00	16.00	0.00	13,440.00	353.68
<b>Total Hours</b>	<b>21.00</b>	<b>54.00</b>	<b>15.00</b>	<b>83.00</b>	<b>0.00</b>		<b>339.62</b>
<b>Total Estimated Fees</b>	<b>11,130.00</b>	<b>25,920.00</b>	<b>4,275.00</b>	<b>17,430.00</b>	<b>0.00</b>	<b>58,755.00</b>	



## Fee Estimate

### Belmont Hotel Management Limited

From 12 September 2019 for the period of the Administration

Administration - Post Appointment (New)		Hours					Total Hours	Time Cost	Avg. Hourly
Classification of Work Function		Partner	Manager	Senior	Assistant	Support			
Admin & Planning									
Case review and Case Diary management		4.00	3.00	2.00	15.00	0.00	24.00	7,100.00	295.83
Cashing & accounting		2.00	15.00	7.00	15.00	0.00	39.00	12,505.00	320.64
Dealings with Directors and Management		1.00	1.00	0.00	2.00	0.00	4.00	1,370.00	342.50
Insurance		0.50	2.00	1.00	5.00	0.00	8.50	2,440.00	287.06
IPS set up & maintenance		0.00	1.00	0.00	6.00	0.00	7.00	1,680.00	240.00
Statement of affairs		0.50	0.00	1.00	2.00	0.00	3.50	970.00	277.14
Statutory matters (Meetings, Reports and Notices)		4.00	8.00	3.00	32.00	0.00	47.00	13,055.00	277.77
Strategy planning & control		5.00	5.00	10.00	20.00	0.00	40.00	11,800.00	295.00
Tax Compliance/Planning		0.00	1.00	1.00	3.00	0.00	5.00	1,335.00	267.00
Creditors									
Communications with Creditors/Employees		0.00	3.00	1.00	8.00	0.00	12.00	3,225.00	268.75
Correspondence with Investors		2.00	3.00	3.00	5.00	0.00	13.00	4,225.00	325.00
Non Pref Creditor claims adjudication and dist'n		1.00	1.00	0.00	5.00	0.00	7.00	2,000.00	285.71
Non Pref Creditors/Employee claims handling		0.00	1.50	1.00	8.00	0.00	10.50	2,595.00	247.14
Investigations									
CDDA, reports & Communication		10.00	3.00	1.00	20.00	0.00	34.00	11,045.00	324.85
Disputes & Investigations		1.00	6.00	4.00	15.00	0.00	26.00	7,340.00	282.31
Financial review and investigations (\$238/239 etc)		1.00	2.00	2.00	12.00	0.00	17.00	4,460.00	262.35
Realisation of assets									
Book debts		0.00	1.00	1.00	5.00	0.00	7.00	1,755.00	250.71
Other Intangible Assets		1.00	1.00	2.00	2.00	0.00	6.00	1,940.00	323.33
Other Tangible Assets		1.00	1.00	0.00	3.00	0.00	5.00	1,580.00	316.00
Plant, Machinery, Fixtures and Motor Vehicles		1.00	4.00	2.00	6.00	0.00	13.00	4,040.00	310.77
Sale of Business		2.00	1.00	0.00	2.00	0.00	5.00	1,900.00	380.00
Trading									
Trading - Accounting		2.00	20.00	3.00	15.00	0.00	40.00	13,465.00	336.63
Trading - Employees		1.50	6.00	3.00	20.00	0.00	30.50	8,370.00	274.43
Trading - Insurance		1.00	5.00	2.00	6.00	0.00	14.00	4,460.00	318.57
Trading - Operations		1.00	10.00	2.00	8.00	0.00	21.00	6,980.00	332.38
Total Hours		42.50	104.50	52.00	240.00	0.00	439.00		299.85
Total Estimated Fees		22,525.00	43,890.00	14,820.00	50,400.00	0.00		131,635.00	

## **Appendix 6**

### **Fee Narratives**

## **Belmont Hotel Limited - In Administration ("the Company") Fee Estimate for the whole period of the Administration**

Philip Duffy and Sarah Bell appointed on 12 September 2019  
Administration commenced on 12 September 2019

### **Introduction**

The following information is provided to creditors to enable them to consider and approve the Joint Administrators' remuneration. It is a summary of key issues, to assist creditors in understanding the strategy of the Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors.

This document should be read in conjunction with the Joint Administrators' Report to Creditors and *Statement of Proposals which provides further details of the assets, liabilities and estimated return to creditors*, if any. Particular reference is made to the Appendices 5 and 7 entitled, 'Fee Estimate' and 'Estimated Expenses of the Administration'.

### **Estimated Fees and Expenses**

The Joint Administrators propose that their fees will be based on time costs.

The amount expected to be incurred in fees over the life of the case by the Administrators is shown in Appendix 5 - Fee Estimate and totals £58,755 being 173 hours which is at an average hourly rate of £340.

The Administrators estimate the expenses of the Administration to total approximately £45,310 (as shown in Appendix 7 Estimated Expenses of the Administration). This Appendix illustrates the estimated expenses for the whole of the Administration and is for information purposes (not for approval by any class of creditor). *This estimate may change over the course of the Administration but creditors will be informed of any variations with associated reasons in the Joint Administrators six monthly Progress Reports.*

As detailed in the Proposals, creditors are asked to approve the fee basis (time costs) and also the Fee Estimate in the total sum of £58,755.

### **Estimated Return to Creditors**

#### **Secured Creditor**

As detailed in the Proposals report, in consideration for the monies advanced under the loan facility agreement Belmont granted debentures, which confer fixed and floating charges over all of the assets of Belmont to Mysing.

*Based on information held at the Appointment Date, it is understood that the indebtedness to Mysing is £1.8m subject to accruing interest and charges. However, the Joint Administrators are aware that four other companies within the NPD group have also granted charges to Mysing (Llandudno Bay Hotel & Spa Limited, Queens Hotel (Llandudno) Management Limited, The Old Golf House Hotel Limited and The Old Golf House Hotel Management Limited – all in Administration). The Joint Administrators have sought confirmation on how these funds were split between the five NPD companies. It is understood that the balance due is across the five companies.*

At this stage it is anticipated that there will be sufficient realisations make a distribution to Mysing following a sale of the business and assets as a going concern, dependent on confirmation of the total balance due to Mysing and confirmation of validity of the charge.

Costs of £2,145 are anticipated to be incurred liaising with the Secured Creditor and obtaining advice on the validity of the charge and reviewing the records provided by the Secured Creditor and Belmont's records to confirm the position and potentially calculate and pay a distribution to the Secured Creditor.

## **Preferential Creditors**

*Belmont did not employ any staff and therefore has no preferential creditors*

## **Non-preferential Creditors**

Based on current information, it is uncertain whether there will be sufficient realisations to enable a distribution to non-preferential creditors of Belmont. This is dependent on the realisations from sale of the Hotel.

Time costs of £5,920 are anticipated in respect of Communications with Creditors/Employees and Non Pref Creditor/Employee Claims handling and Correspondence with investors.

*Such time will be incurred in respect of corresponding with all creditors, reviewing claims and arranging any distribution.*

Such time also includes reviewing the position of the investor claims and confirming investor interests

## **Strategy**

### **Asset Realisations**

#### **Freehold Land and Property**

As detailed in Proposals, Belmont's principal asset is the Hotel

It is anticipated that the sum of £13,440 will be incurred in respect of Freehold Land and Property. These time costs will be incurred in respect of marketing and negotiating a sale of the Hotel.

## **Investigations**

It is a statutory requirement that the Joint Administrators provide a report to the Secretary of State on the conduct of the Directors in their management of Belmont to determine their fitness to act in such a role.

This will entail a broad level of investigation to ensure that best practice standards are met and the Fee Estimate reflects this standard. If the Secretary of State then instigates Directors Disqualification proceedings, further time may be expended in providing supporting documents, witness statements etc. Such investigation may or may not lead to further asset recovery so creditors should not assume that this activity will provide a monetary benefit to the Administration estate

Full details of the investigations to be conducted cannot be disclosed at this stage in order to avoid prejudicing any potential recovery or action in this regard. It is expected that time costs of £12,415 will be incurred over the course of the Administration as per the Fee Estimate. This includes time incurred in respect of the high level investigations being carried out in respect of the investment schemes.

Investigations into Belmont will also form part of the detailed investigations being carried out by the Joint Administrators of NPD.

## **Statutory Compliance**

An Administrator is highly regulated, being required to conform to insolvency legislation, industry Best Practice policies (Statements of Insolvency Practice) and relevant case law. Consequently, Administrators are obliged to undertake many activities that do not provide a financial benefit to creditors. Such matters will include, but are not restricted to, Anti Money Laundering, Bribery Act and Ethical considerations and checks, statutory advertising, regular reporting to creditors including fee agreement procedures, obtaining and securing company books and records, pension review and liaison with the Pension Protection Fund, Companies House filing, completion and release of insolvency bond, cashing, accounting and various treasury functions and dealing with the ongoing strategy for the Administration.

It is anticipated that time costs totalling £24,835 will be incurred in dealing with these matters over the course of the Administration as per the Fee Estimate.

**Belmont Hotel Management Limited Limited - in Administration ("Belmont Management")**  
**Fee Estimate for the whole period of the Administration**

*Philip Duffy and Sarah Bell appointed on 12 September 2019*  
Administration commenced on 12 September 2019

**Introduction**

The following information is provided to creditors to enable them to consider and approve the Joint Administrators' remuneration. It is a summary of key issues, to assist creditors in understanding the strategy of the Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors.

This document should be read in conjunction with the Joint Administrators' Report to Creditors and Statement of Proposals which provides further details of the assets, liabilities and estimated return to creditors, if any. Particular reference is made to the Appendices 5 and 7 entitled, 'Fee Estimate' and 'Estimated Expenses of the Administration'.

**Estimated Fees and Expenses**

The Joint Administrators propose that their fees will be based on time costs.

The amount expected to be incurred in fees over the life of the case by the Administrators is shown in Appendix 5 - Fee Estimate and totals £131,635 being 439 hours which is at an average hourly rate of £300.

The Administrators estimate the expenses of the Administration to total approximately £84,311 (as shown in Appendix 7 Estimated Expenses of the Administration). This Appendix illustrates the estimated expenses for the whole of the Administration and is for information purposes (not for approval by any class of creditor). This estimate may change over the course of the Administration but creditors will be informed of any variations with associated reasons in the Joint Administrators six monthly Progress Reports.

As detailed in the Proposals, creditors are asked to approve the fee basis (time costs) and also the Fee Estimate in the total sum of £131,635.

**Estimated Return to Creditors**

**Secured Creditor**

As detailed in the Proposals report, Belmont Management did not grant any charges and therefore there are no secured creditors of Belmont Management.

**Preferential Creditors**

Based on current information, it is anticipated that upon the sale of the business and assets of the Companies, Belmont Management's employees will be transferred to a purchaser via TUPE.

Until such time a sale of the Hotel has completed it remains uncertain whether there will be any preferential claims or whether there will be sufficient asset realisations to pay a distribution to preferential creditors.

No time costs are currently anticipated to be incurred in respect of preferential claims.

**Non-preferential Creditors**

Based on current information, it is uncertain whether there will be sufficient realisations to enable a distribution to non-preferential creditors of Belmont Management from the realisations of the assets. The timing and quantum of any dividend is dependent on the sale.

Time costs of £12,045 are anticipated in respect of Communications with Creditors/Employees and Non Pref Creditor/Employee Claims handling, Correspondence with investors and Non Pref Creditor Claim Adjudication.

Such time will be incurred in respect of corresponding with all creditors, reviewing claims and arranging any distribution

Such time also includes reviewing the position of the investor claims and providing updates to investors.

## **Strategy**

### **Asset Realisations**

#### **Trading and Sale of Business/Hotel**

As detailed in Proposals, the decision has been taken to continue to trade the Hotel whilst marketing it for sale as a going concern. Although the freehold property is held in Belmont, Belmont Management manages the trading and operations of the Hotel.

It is anticipated that the sum of £33,275 will be incurred in relation to direct trading costs including dealing with staff, receipts and payments and general operating matters. It should be noted that the main operations will be dealt with by Assured, however the Joint Administrators and their staff will be operating the cash book, monitoring all sales and purchases and maintaining the payroll

#### **Book debts**

According to the Company's books and records the outstanding debts of the Company totalled £14,000 as at the Appointment Date.

Time costs of £1,755 are anticipated in respect of book debts. Such time will be incurred in reviewing the debtor ledger and liaising with Assured to obtain copies of outstanding invoices.

The Joint Administrators and Assured are in process of writing to debtors where necessary in order to demand repayment of outstanding balances due. The Joint Administrators are also carrying out a review of the receipts into the pre-appointment bank accounts to confirm whether these are in respect of pre-appointment debtor receipts or post appointment sales.

#### **Plant, Machinery, Fixtures and Fittings**

Costs of £4,040 are anticipated to be incurred in respect of Plant, Machinery, Fixtures and Fittings. It is understood that the Hotel has undergone renovation and these costs will be incurred in dealing with the fixtures and fittings owned by Belmont Management and negotiating the value of these in relation to that of the freehold property should a sale as a going concern be achieved

Should this not be achieved, these costs will be in relation to arranging a sale of these assets on a break up basis.

#### **Other Assets**

Costs of £5,420 are expected to be incurred in respect of Other Intangible Assets and Other Tangible Assets and Sale of Business. It is anticipated that a sale of the Hotel as a going concern will be completed however these costs relate to dealing with other assets of Belmont Management and negotiating what assets will be included in any sale including intangible assets such as intellectual property, branding and customer information to be included in a sale as a going concern and tangible assets such as plant & machinery, fixtures, fittings and furniture and stock

Should such a sale not be achieved these assets will be sold on a break up basis.

## **Investigations**

It is a statutory requirement that the Joint Administrators provide a report to the Secretary of State on the conduct of the Directors in their management of Fourcrot to determine their fitness to act in such a role

This will entail a broad level of investigation to ensure that best practice standards are met and the Fee Estimate reflects this standard. If the Secretary of State then instigates Directors Disqualification proceedings, further time may be expended in providing supporting documents, witness statements etc. Such investigation may or may not lead to further asset recovery so creditors should not assume that this activity will provide a monetary benefit to the Administration estate.

Full details of the investigations to be conducted cannot be disclosed at this stage in order to avoid prejudicing any potential recovery or action in this regard. It is expected that time costs of £22,845 will be incurred over the course of the Administration as per the Fee Estimate. This time also includes the detailed investigations being carried out in respect of the investment scheme.

Investigations into the Company will also form part of the detailed investigations being carried out by the Joint Administrators of NPD

## **Statutory Compliance**

An Administrator is highly regulated, being required to conform to insolvency legislation, industry Best Practice policies (Statements of Insolvency Practice) and relevant case law. Consequently Administrators are obliged to undertake many activities that do not provide a financial benefit to creditors. Such matters will include, but are not restricted to: Anti Money Laundering, Bribery Act and Ethical considerations and checks, statutory advertising, regular reporting to creditors including fee agreement procedures, obtaining and securing company books and records, pension review and liaison with the Pension Protection Fund, Companies House filing, completion and release of insolvency bond, cashiering, accounting and various treasury functions and dealing with the ongoing strategy for the Administration

It is anticipated that time costs totalling £52,255 will be incurred in dealing with these matters over the course of the Administration as per the Fee Estimate



## **Appendix 7**

### **Estimated Expenses of the Administrations**

**Belmont Hotel Limited (In Administration)**  
**Joint Administrators' Estimated Expenses of the Administration**

Company	Activity	Fee Basis	Estimated Fee £
<b>Professional Advisors</b>			
Howlett Swanson	Solicitors -Assisting with the Joint Administrators appointment, advice on the sale of business and other ad hoc legal matters	Time costs and Disbursements	27,000
Anderson Weatherall	Agents - Marketing and Valuation advice	time costs	6,000
Solvency Risk Services	Insurer - Insurance over the Hotel	set rate	10,000
<b>TOTAL</b>			<b>43,000</b>
<b>Costs</b>			
Courts Advertising Limited	Statutory Advertising	Fixed Fee	85
Hillis Towers Watson	Bond premium	Fixed Fee	225
Barclays Bank	Bank charges	set rate	2,000
<b>TOTAL</b>			<b>2,310</b>
<b>TOTAL</b>			<b>45,310</b>

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

The above is exclusive of VAT

## Appendix 8

### Statement of Creditors' Rights

## **STATEMENT OF CREDITORS' RIGHTS**

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)*

*Section numbers refer to Insolvency Act 1986*

*'Office-holder' is the current Administrator or Liquidator as applicable*

### **Information for creditors on remuneration and disbursements of administrators**

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

<https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/creditor-guides-and-employee-fact-sheets>

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

### **Creditors have the right to request information from the office-holder under rule 18.9**

A secured creditor, a non-preferential creditor with the concurrence of at least 5% in value of the non-preferential creditors (including the creditor in question) or any non-preferential creditor with the permission of the Court may make a written request to the office-holder for further information concerning remuneration or expenses. Such a request must be made within 21 days of receipt of this report and a response will be provided within 14 days of receipt of the request.

Creditors have recourse to court, application to be made within 21 days of the office-holder giving reasons for not providing all the information requested or the expiry of the 14 days within which an office-holder must respond to a request.

### **Creditors have the right to challenge the office-holder's remuneration and expenses under rule 18.34**

A secured creditor, a non-preferential creditor with the concurrence of at least 10% in value of the non-preferential creditors (including that creditor) or any non-preferential creditor with the permission of the Court, may make an application to Court on the grounds that the remuneration charged or expenses incurred are excessive and/or that the basis fixed for the office-holder's remuneration is inappropriate. The application to court must be made no later than eight weeks after receipt of the Progress Report where the charging of the remuneration or the incurring of expenses in question occurs.

## **Appendix 9**

### **Proof of Debt Forms**

## PROOF OF DEBT - GENERAL FORM

<b>Belmont Hotel Limited- in Administration</b> <b>Company No. 09377751</b>	
Date of Administration: 12 September 2019	
1.	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)
2.	Address of Creditor for correspondence  <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Contact telephone number of creditor</div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Email address of creditor</div>
REF	
3.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25
4.	Details of any documents by reference to which the debt can be substantiated (please attach)
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount
£	
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7.	Particulars of any security held, the value of the security, and the date it was given
8.	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates
9.	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
DATE	
	Are you the sole member of the creditor?
YES / NO	
	Position with or in relation to creditor  Address of person signing (if different from 2 above)
Admitted to vote for £	
Admitted for dividend for £	
Date	
Date	
Administrator	
Administrator	

## PROOF OF DEBT - GENERAL FORM

<b>Belmont Hotel Management Limited- in Administration</b> <b>Company No. 09377712</b>		
Date of Administration: 12 September 2019		
1.	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)	
2.	Address of Creditor for correspondence  <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Contact telephone number of creditor</div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">Email address of creditor</div>	REF
3.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	
4.	Details of any documents by reference to which the debt can be substantiated (please attach)	
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES / NO
	Position with or in relation to creditor  Address of person signing (if different from 2 above)	
Admitted to vote for £		Admitted for dividend for £
Date		Date
Administrator		Administrator

## **Appendix 10**

### **Notice to Creditors of Business by Correspondence**



**Insolvency Rules (England & Wales) 2016 r.15.8****Belmont Hotel Management Limited - in Administration**

Company number 09377712

**NOTICE TO CREDITORS OF BUSINESS BY CORRESPONDENCE**

The following proposed decisions will be decided on 29 November 2019 at 23.59hrs

The decisions being proposed are:

1. The establishment of a Creditors' Committee only if sufficient nominations are received by the decision date
2. Where a Creditors' Committee is not established  
That the Joint Administrators be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.
3. Where a Creditors' Committee is not established  
That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration
4. Where a Creditors' Committee is not established  
That the Joint Administrators' Fee Estimate in the total sum of £131,635 for the life of the Administration is approved
5. Where a Creditors' Committee is not established  
That the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration ('Category 2 Disbursements').
6. That the Joint Administrators Pre-Administration costs totalling £5,630 be approved

Voting forms must be received by the Joint Administrator by 23:59 hours on or before the Decision Date, 29 November 2019, for votes to be counted; creditors (including those creditors whose debt is treated as a small debt as being £1000 or less and creditors who have opted out from receiving notices) must have delivered a proof of debt in respect of their claim to the Joint Administrators by one of the methods shown below by 29 November 2019 to enable their vote to be considered

By post to: Philip Duffy Joint Administrator of Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW

By email to: MBIGroup@DuffandPhelps.com

**All voting forms and proofs of debt must be delivered by 23.59 hours on the Decision Date  
29 November 2019**

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for documents to be delivered to the indicated address below by the stated deadline above. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent

**Insolvency Rules (England & Wales) 2016 r.15.8**

Creditors may request that the matter to be dealt with at a physical meeting of creditors. The threshold for such a request is any of the following:

- (a) 10% in value of the creditors
- (b) 10% in number of the creditors
- (c) 10 creditors

The Joint Administrators must receive such a request no later than five business days after the deemed receipt by creditors on 5 November 2019. The Administrator must convene a physical meeting no later than three business days after sufficient requisitions are received.

Nothing in this notice precludes opted out creditors from requisitioning a physical meeting, voting or requesting further information

Creditors can appeal to the court on a decision of the Joint Administrators no later than 21 days after the Decision Date.

**Contact details:**

Philip Duffy Joint Administrator of Duff & Phelps Ltd. The Chancery, 58 Spring Gardens, Manchester M2 1EW

Telephone: 0161 827 9027

Email address: MBiGroup@DuffandPhelps.com

Alternative contact name: Heather.Barnes of the above office

Signed: .....

Philip Duffy – Joint Administrator

Date

11/11/19

**VOTING FORM**  
**Business by Correspondence**

**Belmont Hotel Management Limited (In Administration)**

Company number: 09377712

**Creditor Name**

**Address**

**Resolutions**

\* Please delete as applicable to indicate your voting instructions

- |   |  |                     |
|---|--|---------------------|
| 1 | The establishment of a Creditors' Committee only if sufficient nominations are received by the decision date   | <b>*For/Against</b> |
| 2 | Where a Creditors' Committee is not established, that the Joint Administrators be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing | <b>*For/Against</b> |
| 3 | Where a Creditors' Committee is not established, that the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration  | <b>*For/Against</b> |
| 4 | Where a Creditors' Committee is not established, that the Joint Administrators Fee Estimate in the total sum of £131,635 for the life of the Administration is approved.   | <b>*For/Against</b> |
| 5 | Where a Creditors' Committee is not established<br>That the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements")   | <b>*For/Against</b> |
| 6 | Where a Creditors' Committee is not established<br>That the Joint Administrators Pre Administration costs of £5,630 be approved.   | <b>*For/Against</b> |

This form must  
be signed

**Signature** ..... **Date** .....

**Name in CAPITAL LETTERS**

\_\_\_\_\_

Only to be  
completed if the  
creditor has not  
signed in person

**Position with creditor or relationship to creditor or other authority for signature**

.....

Once a vote has been cast, it cannot be changed

By post to: Philip Duffy Joint Administrator, Duff & Phelps Ltd The Chancery, 58 Spring Gardens,  
Manchester, M2 1EW

or by email to: [MBiGroup@DuffandPhelps.com](mailto:MBiGroup@DuffandPhelps.com)

Voting forms and proofs of debt to be received on or before 23:59 hours on 29 November 2019

## **Appendix 11**

### **Notice of Decision Procedure**

## NOTICE TO CREDITORS OF DECISION PROCEDURE

Belmont Management Limited  
("the Company")

Company number  
09377712

These decisions are to be made by the deemed consent process. The following proposed decisions will be deemed approved unless sufficient objections are received by 23:59 on 29 November 2019 ("the Decision Date").

Further information and guidance is attached on the process for objecting to these resolutions and / or requesting the convening of a physical meeting.

Decisions being proposed are:

- That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Companies as the Joint Administrators consider necessary until such time as the Administrations cease to have effect.
- That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administrations.
- That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Companies have no remaining property which might permit a distribution to its creditors, at which stage the Administrations will cease.
- That the Joint Administrators, where they consider that there are funds available to be distributed to the unsecured creditors (other than under the Prescribed Part) take the necessary steps to put the Companies into either creditors' voluntary liquidation or into compulsory liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Philip Duffy and Sarah Bell of Duff & Phelps would act as Joint Liquidators should the Companies be placed into creditors' voluntary liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed liquidator provided the nomination is received at this office prior to the approval of these Proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.

This notice is delivered by Philip Duffy, Joint Administrator, Duff & Phelps Ltd

Signed

Date

1 November 2019

Email Address:

[Heather.Barnes@duffandphelps.com](mailto:Heather.Barnes@duffandphelps.com)

Telephone Number:

0161 827 9027

**IF YOU AGREE WITH THE PROPOSED DECISIONS YOU DO NOT NEED TO TAKE ANY ACTION**

**INFORMATION AND GUIDANCE**

***The 'deemed approval' process:***

Section 379ZB(6)  
IA86

In respect of each of the decisions proposed above, if less than 10% in value of creditors (who would be entitled to vote if a vote were taken, "the Threshold") object to it in accordance with the procedure set out below, the creditors are to be treated as having made the proposed decision. Otherwise, the creditors are to be treated as not having made such a decision and a physical meeting must be convened in this case.

***Objections can be made as follows:***

In order to object to one or more of the proposed decisions, you must deliver a notice stating your objection (and specifying to which one or more of the proposed decisions your objection relates) to the Joint Administrators at Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW no later than the deemed decision date included in the notice above.

In addition, you must have also delivered a proof of debt (unless one has already been submitted) also by the deemed decision date, failing which your objection will be disregarded.  
*Any objection will not be valid until the proof of debt has been received and the threshold met.*

***Small debts:***

Rule 14.31(1)

Any creditor whose debt is treated as a small debt for the purposes of any dividend must still deliver a proof of debt if a valid objection is to be made.

Rule 1.39(2)

***Opted out creditors:***

A creditor may opt out of receiving notices in writing but nevertheless can still object in a deemed consent decision providing a proof of debt has been delivered by the deemed decision date or any extension thereof.

It should be noted that opting out will not affect any right to a dividend or future participation in decision making processes.

***Request for a physical meeting***

In addition to making an objection creditors who meet one or more of the statutory thresholds listed below may also request, in writing within 5 business days from the date of delivery of this notice, a physical meeting to be held to consider any decisions proposed or other matters.

Section 379ZA(7)  
IA86

The statutory thresholds to request a meeting are any of the following:

- ❖ 10% in value of the creditors
- ❖ 10% in number of the creditors
- ❖ 10 creditors

***Termination of process on breach of threshold:***

Rule 15.7

If the objection threshold is met or sufficient creditors request a physical meeting, the deemed consent procedure will be terminated without a decision being made and a physical meeting must be convened.

***Notice of termination***

It is the convener's responsibility to aggregate any objections to see if the Threshold is met for the decision to be taken as not having been made and a further notice will be issued.

***Appeal process***

Rule 15.35

A creditor may appeal any actions of a convener by application to the court. Any appeal must be made no later than 21 days after the decision date.

**IF YOU AGREE WITH THE PROPOSED DECISIONS YOU DO NOT NEED TO TAKE ANY ACTION**